

ROGERS SUGAR INC.

NOTICE OF ANNUAL MEETING AND MANAGEMENT INFORMATION CIRCULAR

December 18, 2020

This year, due to the global COVID-19 pandemic, Rogers Sugar Inc.'s annual meeting of shareholders will be held in a virtual-only format, via online live webcast. A virtual-only meeting format is being applied in order to enfranchise and give all shareholders an equal opportunity to participate in the meeting regardless of their geographic location or other particular constraints, circumstances or risks they may be facing as a result of COVID-19. Shareholders will not be able to attend the meeting in person. Important details about the meeting and how shareholders can participate virtually are set out in this information circular and the accompanying proxy materials.

ROGERS SUGAR INC.

December 18, 2020

Dear Shareholder:

We are pleased to invite you to the annual meeting of the shareholders of Rogers Sugar Inc. to be held online via live webcast at <https://web.lumiagm.com/217834631>, on Tuesday, February 2, 2021 at 4:00 p.m. (Eastern time). The meeting has been called to conduct our regular annual business as more fully described in the management information circular.

If you are unable to participate in the meeting, please complete, sign, date and return the enclosed proxy in accordance with the instructions set out therein and in the enclosed management information circular.

Yours very truly,

(signed) M. Dallas H. Ross

M. Dallas H. Ross, Chairman of the Board of Directors of
Rogers Sugar Inc., on behalf of the Directors of
Rogers Sugar Inc.

ROGERS SUGAR INC.

NOTICE OF ANNUAL MEETING

**TO: THE SHAREHOLDERS OF
ROGERS SUGAR INC.**

TAKE NOTICE that an annual meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares of Rogers Sugar Inc. (the “**Corporation**”) will be held online via live webcast at <https://web.lumiagm.com/217834631>, on Tuesday, February 2, 2021, commencing at 4:00 p.m. (Eastern time) (the “**Meeting Date**”). The Meeting has been called for the following purposes:

1. to elect six directors of the Corporation (collectively, the “**Directors**”) for the ensuing year (for details, see section “Election of Directors” of the management information circular of the Corporation dated December 18, 2020 (the “**Circular**”));
2. to consider the two nominees of the Corporation standing for election as directors of Lantic Inc. (“**Lantic**”) and to direct the Directors to vote all of the common shares of Lantic held by the Corporation in favour of the election of such nominees for the ensuing year (for details, see section “Election of Directors of Lantic” of the Circular);
3. to appoint KPMG LLP, Chartered Professional Accountants, as auditor of the Corporation, with remuneration to be fixed by the Audit Committee of the Corporation (for details, see section “Appointment of the Auditors” of the Circular);
4. to consider and, if deemed appropriate, adopt a resolution ratifying, confirming and approving certain amendments to the by-laws of the Corporation (the full text of the resolution is reproduced under section “Ratification of By-Laws Amendment” of the Circular);
5. to consider and, if deemed appropriate, adopt a resolution ratifying, confirming and approving the Amended and Restated Share Option Plan of the Corporation (for details, see section “Ratification of Amended and Restated Share Option Plan” of the Circular; the full text of the resolution is reproduced at Schedule D of the Circular); and
6. to transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the management information circular accompanying and forming part of this Notice of Meeting.

This year, as a precautionary measure to proactively address the public health impact of coronavirus disease (COVID-19), mitigate health and safety risks to the Corporation’s shareholders, employees and other stakeholders, and abide by government guidelines limiting indoor public events, the Corporation will hold a virtual-only Meeting via live webcast. Shareholders will have an equal opportunity to participate in the Meeting online, regardless of geographic location, as well as to ask questions and vote on certain topics. Nonregistered (or beneficial) shareholders who have not duly appointed themselves as proxyholder will be able to participate in the meeting as guests, but guests will not be able to vote or speak at the meeting. Shareholders will not be able to attend the Meeting physically. A summary of the information shareholders and proxyholders will need to attend the Meeting online is provided in the management proxy circular attached to this Notice of Meeting.

Shareholders who are unable to participate in the Meeting are requested to date and sign the enclosed proxy and to mail it to or deposit it with the Corporation, c/o Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1. In order to be valid and acted upon at the Meeting, proxies must be returned to the aforesaid address not less than 48 hours, excluding Saturdays, Sundays and holidays, before the Meeting Date or any adjournment or postponement thereof at which the proxy is to be used.

Online participation in the Meeting enables registered Shareholders to participate in the Meeting and ask questions in real time. Registered Shareholders can vote at the appropriate times by completing a ballot online during the Meeting. Registered Shareholders wishing to vote at the Meeting do not need to complete or return the form of proxy. However, even if a Shareholder wishes to participate in the Meeting, such Shareholder may vote his or her Common Shares in advance, each such vote to be counted if such Shareholder later decides not to participate in the Meeting.

The Directors have fixed the record date for the Meeting as of the close of business on December 4, 2020 (the “**Record Date**”). Shareholders of record at the close of business on the Record Date are entitled to receive notice of, and to vote at, the Meeting.

If you are a registered Shareholder or you have already given the Corporation instructions to send you printed documents, your management proxy circular is attached to this Notice of Meeting.

If you are a beneficial Shareholder, we are making the management information circular available online instead of mailing it to you, according to a set of rules developed by the Canadian Securities Administrators called *Notice-and-access*. Notice-and-access is a set of rules that allows issuers to post electronic versions of proxy-related materials online, via SEDAR (www.sedar.com) and one other website, rather than mailing paper copies of such materials to Shareholders. Under notice-and-access, Shareholders still receive a proxy form or voting instruction form enabling them to vote at the Meeting. However, instead of paper copies of the meeting materials, Shareholders receive this notice which contains information on how they may access the meeting materials online and how to request paper copies of such documents.

You can download the circular and other meeting materials at <https://www.lanticrogers.com/en/investors> or on SEDAR at www.sedar.com. Shareholders are reminded to review the Circular and other proxy-related materials prior to voting.

If you would prefer to receive a paper copy of the circular, please call the Corporation at the number in the box below or send the Corporation an email, and it will be mailed to you at no cost. **Note that the Corporation will not mail the proxy form or voting instruction form**, so please keep the one you received previously.

We need to receive your request no later than 10 business days before the Meeting, if you want to receive the management information circular before the Meeting. After the Meeting, please call 1-844-913-4350 to ask for a printed copy.

How to ask for a copy of the management information circular

Call 1 (844) 913-4350 (toll-free in North America)

DATED at Montréal, Québec,
this 18th day of December, 2020

**BY ORDER OF THE DIRECTORS OF
ROGERS SUGAR INC.**

(signed) M. Dallas H. Ross

M. Dallas H. Ross, Chairman of the Board of
Directors of Rogers Sugar Inc., on behalf of
the Directors of Rogers Sugar Inc.

TABLE OF CONTENTS

1.	APPOINTMENT OF PROXIES	6
2.	REVOCABILITY OF PROXIES	6
3.	NON-REGISTERED HOLDERS	7
4.	EXERCISE OF DISCRETION BY PROXYHOLDERS	8
5.	HOW TO ACCESS AND PARTICIPATE IN THE CORPORATION’S 2021 VIRTUAL MEETING	8
6.	VOTING OF COMMON SHARES AND PRINCIPAL HOLDERS THEREOF	9
	Voting of Common Shares	9
	Principal Holders of Common Shares	9
7.	EXECUTIVE AND OTHER COMPENSATION.....	9
	Compensation of the Directors and of the directors of Lantic.....	9
	Attendance Record for Board Meetings	11
	Total Compensation of the Directors of the Corporation and of Lantic	13
	Administration of the Corporation	13
	Compensation of the Executives of Lantic	14
	Summary Compensation Table	24
	Performance Graph.....	29
8.	INDEBTEDNESS OF THE DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES	29
9.	STATEMENT OF CORPORATE GOVERNANCE PRACTICES.....	30
	Governance Agreements	30
	Administration Agreement	31
10.	INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS	31
11.	MATTERS TO BE ACTED UPON AT THE MEETING.....	31
	Election of Directors	31
	Election of Directors of Lantic	34
	Financial Statements.....	38
	Appointment of Auditor of the Corporation.....	38
	Audit Committee Information	38
	Ratification of By-Laws Amendment.....	39
	Ratification of Amended and Restated Share Option Plan.....	39
	Particulars of Other Matters to Be Acted Upon.....	39
12.	SHAREHOLDER PROPOSALS	39
13.	ADDITIONAL INFORMATION	39
14.	APPROVAL OF DIRECTORS.....	40
	SCHEDULE A ROGERS SUGAR INC. CORPORATE GOVERNANCE DISCLOSURE	41
	SCHEDULE B ROGERS SUGAR INC. MANDATE FOR THE BOARD OF DIRECTORS	51
	EXHIBIT A TO MANDATE FOR THE BOARD OF DIRECTORS ROGERS SUGAR INC. GENERAL AUTHORITY GUIDELINES	55
	APPENDIX “1” EXTRACT FROM ADMINISTRATION AGREEMENT.....	57
	SCHEDULE C AMENDMENT TO THE BY-LAWS	59
	SCHEDULE D RESOLUTION RELATED TO AMENDED AND RESTATED SHARE OPTION PLAN	60
	EXHIBIT A AMENDED AND RESTATED SHARE OPTION PLAN	61

ROGERS SUGAR INC.
MANAGEMENT INFORMATION CIRCULAR
SOLICITATION OF PROXIES

This management information circular (this “Information Circular”) is provided in connection with the solicitation of proxies by the directors (the “Directors”) of Rogers Sugar Inc. (the “Corporation”) for use at the annual meeting (the “Meeting”) of the holders (the “Shareholders”) of common shares (“Common Shares”) of the Corporation to be held online via live webcast at <https://web.lumiagm.com/217834631>, on Tuesday, February 2, 2021 at 4:00 p.m. (Eastern time) for the purposes set forth herein and in the Notice of Meeting accompanying this Information Circular. **Unless otherwise indicated, the information contained in this Information Circular is given as of December 18, 2020. Moreover, the use of the present tense and of the words “current”, “currently”, “presently”, “now” and similar expressions in this Information Circular is to be construed as referring to information given as of December 18, 2020, unless the context otherwise requires or unless otherwise indicated.**

The cost incurred in the solicitation of proxies and in the preparation and mailing of the proxy, Notice of Meeting and this Information Circular will be borne by the Corporation. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication by the Directors and by the directors, officers and employees of Lantic Inc. (“Lantic” or the “Administrator”), the Administrator of the Corporation, who will not be specifically remunerated therefor.

1. APPOINTMENT OF PROXIES

Shareholders have received with this Information Circular a form of proxy for the Meeting. The persons named in such form of proxy are Directors. **A Shareholder submitting a proxy has the right to appoint a person (who need not be a Shareholder) to participate in and act on its, his or her behalf at the Meeting, other than the persons designated in the enclosed form of proxy. Such appointment may be exercised by striking out the names of the persons designated in the enclosed form of proxy and by inserting in the blank space provided for that purpose the name of the desired person or by completing another proper form of proxy.** A proxy will not be valid unless it is completed and delivered to the Corporation, c/o Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, for receipt not less than 24 hours, excluding Saturdays, Sundays and holidays, before the time set for the Meeting or any adjournment or postponement thereof at which the proxy is to be used. A proxy should be executed by the Shareholder or his or her attorney duly authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney thereof indicating the capacity under which such officer or attorney is signing.

2. REVOCABILITY OF PROXIES

A Shareholder who has submitted a proxy may revoke it at any time insofar as it has not been exercised. A proxy may be revoked, as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy, by an instrument in writing executed by the Shareholder or by his or her attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized in writing, and deposited with the Corporation, c/o Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, at any time up to and including the last business day preceding the date of the Meeting. A proxy may also be revoked if a Shareholder personally participates in the Meeting and votes his or her securities or, if the Shareholder is a corporation, its duly authorized officer or attorney personally participates in the Meeting and votes such Shareholder’s securities, or in any other manner permitted by law.

3. NON-REGISTERED HOLDERS

The information set forth in this section is important to the many Shareholders who do not hold Common Shares in their own names (the “Non-Registered Holders”). Non-Registered Holders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. However, in many cases, Common Shares beneficially owned by a Non-Registered Holder are registered either:

- (a) in the name of an intermediary (an “Intermediary”) that the Non-Registered Holder deals with in respect of the Common Shares, such as, among others, banks, trust companies, securities dealers of brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or
- (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. or “CDS”) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”) of the Canadian Securities Administrators, the Corporation has distributed copies of the Notice of Meeting, this Information Circular, the form of proxy and the Corporation’s 2020 Annual Report for the period ended October 3, 2020, including audited financial statements and management’s discussion and analysis (collectively, the “Meeting Materials”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders. Copies of the Meeting Materials are also available on the Administrator’s website at <https://www.lanticrogers.com/en/investors> and under the Corporation’s profile on the System for Electronic Document Analysis and Retrieval (“SEDAR”) at www.sedar.com.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive the Meeting Materials will either:

- (a) be given a proxy which is signed by the Intermediary (typically by a facsimile, stamped signature) and already sets forth the number of securities beneficially owned by the Non-Registered Holder but which is otherwise uncompleted. This form of proxy need not be signed by the Non-Registered Holder. The Non-Registered Holder who wishes to submit a proxy should properly complete the form of proxy and deposit it with Computershare Investor Services Inc. (“Computershare”) as described above; or
- (b) more typically, be given a voting instruction form which must be completed and signed by the Non-Registered Holder in accordance with the directions on the voting instruction form received by the Non-Registered Holder.

Non-Registered Holders who have objected to their Intermediaries disclosing ownership information about them to the Corporation (“OBOs”) will not receive the Meeting Materials unless their Intermediaries assume the cost of delivery. The Corporation does not intend to pay for Intermediaries to forward any Meeting Materials or other materials required to be forwarded to OBOs under NI 54-101.

The majority of brokers delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions, Canada (“Broadridge”). Broadridge typically mails a proxy form to the Non-Registered Holders and asks Non-Registered Holders to return the proxy form to Broadridge (the Broadridge form also allows completion of the voting instructions form by telephone or via the internet). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of securities to be represented at the Meeting. A Non-Registered Holder receiving a proxy form from Broadridge cannot use that proxy to vote securities directly at the Meeting. The proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Common Shares held by brokers or their agents or nominees can be voted only upon the instructions of the Non-Registered Holder. Without specific instructions, brokers and their agents and nominees are prohibited from voting securities for the brokers’ clients. The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own.

Should a Non-Registered Holder who receives either a proxy or a voting instruction form wish to participate in and vote at the Meeting (or have another person participate and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided, or, in the case of a voting instruction form, follow the corresponding directions on the form. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies and ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.

4. EXERCISE OF DISCRETION BY PROXYHOLDERS

The persons named in the enclosed form of proxy will, on a poll, vote or withhold from voting, or vote as instructed, the securities in respect of which they are appointed in accordance with the instructions of the Shareholders appointing them. In the absence of such a voting instruction, such securities will, on a poll or otherwise, be voted **FOR** those matters set out in the enclosed proxy and at the discretion of the proxyholders with respect to other matters that may properly come before the Meeting. **THE ENCLOSED FORM OF PROXY CONFERS DISCRETIONARY AUTHORITY UPON THE PERSONS NAMED THEREIN WITH RESPECT TO AMENDMENTS OR VARIATIONS TO MATTERS IDENTIFIED IN THE PROXY AND WITH RESPECT TO OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING.** At the time of printing this Information Circular, neither the Directors nor the management of the Administrator is aware of any such amendments, variations or other matters. If any matters which are not known to the Directors or management of the Administrator should properly come before the Meeting, the persons named in the accompanying form of proxy will vote on such matters in accordance with their best judgment.

5. HOW TO ACCESS AND PARTICIPATE IN THE CORPORATION'S 2021 VIRTUAL MEETING

Registered Shareholders and duly appointed proxyholders will be able to listen to the Meeting, ask questions and vote online, all in real time, provided they are connected to the Internet at all times.

Guests – including Non-Registered Holders who did not appoint themselves as proxyholder – will be able to listen to the Meeting but will not be able to vote live nor ask questions.

Shareholders who wish to appoint a person other than the management nominees identified in the form of proxy or voting instruction form – including Non-Registered Holders who wish to appoint themselves as proxyholder – must carefully follow the instructions in the Information Circular and on their form of proxy or voting instruction form.

In order to attend the Meeting, registered Shareholders, duly appointed proxyholders (including non-registered Shareholders who have duly appointed themselves as proxyholder) and guests (including non-registered Shareholders who have not duly appointed themselves as proxyholders) must log in online as set out below:

- Step 1: Log in online at <https://web.lumiagm/217834631>
- Step 2: Click “Login” and enter the Meeting ID “217834631” and password “rogers2021”

If you are a registered shareholder:

You may enter your username which is the 15 digit control number on your form of proxy provided by Computershare. Note that in the event that you use your control number to log in to the Meeting, any vote you cast will thereby revoke any proxy you previously submitted. If you do not wish to revoke a proxy that you previously submitted, you should refrain from voting during the Meeting.

If you are a duly appointed proxyholder:

Proxy holders who have been duly appointed and registered with Computershare as described in this Information Circular must register at <http://computershare.com/RogersSugar> and will receive a username by email from Computershare after the proxy voting deadline has passed. You may enter this username to access and the Meeting.

If you are a guest:

Click “I am a guest” and then complete the online form.

Shareholders are strongly encouraged to express their vote in advance by completing the form of proxy or voting instruction form that was sent to them. Detailed instructions on how to complete and return proxies and voting instruction forms by mail, fax or email are provided in the Information Circular accompanying them.

Alternatively, Shareholders may express their vote in advance by voting online or using the toll-free telephone number set out on the form of proxy or voting instruction form.

To be effective, voting instructions must be received by our transfer agent and registrar, Computershare, at any time prior to January 29, 2021.

6. VOTING OF COMMON SHARES AND PRINCIPAL HOLDERS THEREOF

Voting of Common Shares

103,536,923 Common Shares are issued and outstanding as of December 18, 2020.

Shareholders of record are entitled to notice of and to participate in the Meeting personally or by proxy, and to one vote per Common Share held on any poll vote taken at the Meeting.

The Directors have fixed the record date for the Meeting as of the close of business on December 4, 2020, (the “Record Date”). Only Shareholders of record at the close of business on the Record Date are entitled to receive notice of, and to vote at, the Meeting.

Principal Holders of Common Shares

To the knowledge of the Directors, there is no person or corporation which beneficially owns or exercises control or direction over, directly or indirectly, Common Shares carrying 10% or more of all the votes attached to the outstanding Common Shares, other than Belcorp Industries Inc. (“Belcorp”), which is the beneficial owner of, or exercises control or direction over, directly or indirectly, 11,380,823 Common Shares, representing approximately 11.0% of the issued and outstanding Common Shares. The foregoing figures do not include the Common Shares into which any of the Sixth Series 5.0% Convertible Unsecured Subordinated Debentures of the Corporation due December 31, 2024 or the Seventh Series 4.75% Convertible Unsecured Subordinated Debentures of the Corporation due June 30, 2025, beneficially owned, or over which control or direction is exercised, directly or indirectly, by Belcorp, may be converted.

7. EXECUTIVE AND OTHER COMPENSATION

Compensation of the Directors and of the directors of Lantic

Annual retainers and attendance fees of the Directors and of the directors of Lantic

The compensation of the Directors and Lantic’s directors is designed to (i) attract and retain the most qualified people to serve on the Corporation’s Board of Directors and Lantic’s board of directors, and (ii) provide appropriate compensation for the risks and responsibilities related to being an effective Director.

In fiscal 2017, a review of the Directors’ compensation was undertaken by Hugessen Consulting to compare the compensation of the Directors with compensation paid to directors of other Canadian entities of comparable size and/or similar industry.

Based on this analysis, and taking into consideration the growing demands and risks of serving as a steward in today’s complex business and governance environments, the Nominating and Governance Committee of the Corporation and the Human Resources & Compensation Committee of Lantic (the “HRCC”) recommended, and the Board of Directors of the Corporation and the board of directors of Lantic approved, the following compensation to be more in line with competitive levels in the market, which became effective on January 1, 2018. In addition, a Director that serves on the Board of the Corporation as well as on the board of directors of Lantic, including the Audit

Committee, receives its compensation from the Corporation and does not receive any compensation from Lantic, other than any annual retainer and/or meeting fees related to the HRCC. This change was applied starting on January 1, 2018 and was done to simplify compensation payment.

The annual retainer and meeting fees for the directors of the Corporation are as follows:

	<u>(\$)</u>
Annual Board Retainer – Chairman of the Board.....	88,000
Annual Board Retainer – Board members and Belkin Nominee (as defined below).....	67,000
Annual Board Retainer – Audit Committee Chairman.....	15,000
Annual Board Retainer – Audit Committee members.....	7,500
Annual Board Retainer – Nominating and Governance Committee Chairman.....	10,000
Annual Board Retainer – Nominating and Governance Committee members.....	7,500
Annual Board Retainer – Strategic Initiative Committee Chairman.....	15,000
Annual Board Retainer – Strategic Initiative Committee members	7,500
Meeting Fee – Chairman (in person or by telephone)	3,000
Meeting Fee – All other members (in person or by telephone)	2,000
Meeting Fee – Audit Committee Chairman	2,500
Meeting Fee – Audit Committee members.....	2,000
Meeting Fee – Nominating and Governance Committee Chairman	2,500
Meeting Fee – Nominating and Governance Committee members	2,000
Meeting Fee – Strategic Initiative Committee Chairman	2,500
Meeting Fee – Strategic Initiative Committee members	2,000

Since January 1, 2005, 50% of the annual retainers, and as of January 1, 2018, 35% of the annual retainers, for the Chairman of the Board of Directors of the Corporation and the members of the Board of Directors of the Corporation and the board of directors of Lantic is payable in Common Shares. The Corporation does not issue from treasury any Common Shares in connection with the foregoing. Rather, Common Shares that are granted to Directors of the Corporation and directors of Lantic are acquired over the market by a third party broker for the account of such directors.

Each Director is compensated for all reasonable out-of-pocket expenses incurred incidentally to attending a Directors’ meeting. There are no incentive award payments to the Directors.

The annual retainer and meeting fees for the directors of Lantic, except for John Holliday who, as the President and Chief Executive Officer (“CEO”) of Lantic, is not entitled to receive any compensation for acting as director, are as follows. In addition, as mentioned above, a director of Lantic that also serves as a Director of the Corporation has not received any compensation since January 1, 2018, except for any payment relating to the HRCC, as the compensation for such director will be paid entirely by the Corporation:

	<u>(\$)</u>
Annual Board Retainer – Chairman of the Board.....	–
Annual Board Retainer – Nominees of the Corporation and the Belkin Nominee.....	–
Annual Board Retainer – Board members (all other members).....	67,000
Annual Board Retainer – Audit Committee Chairman	–
Annual Board Retainer – Audit Committee (nominees of the Corporation).....	–
Annual Board Retainer – Audit Committee (all other members)	7,500
Annual Board Retainer – Human Resources & Compensation Committee Chairman	10,000
Annual Board Retainer – Human Resources & Compensation Committee members.....	7,500
Annual Board Retainer – Corporation’s Strategic Initiative Committee members	7,500
Meeting Fee – Board Chairman	–
Meeting Fee – Board – (nominees of the Corporation and the Belkin Nominee).....	–
Meeting Fee – Board – (all other members).....	2,000
Meeting Fee – Audit Committee – Chairman.....	–
Meeting Fee – Audit Committee – (nominees of the Corporation).....	–
Meeting Fee – Audit Committee – (all other members)	2,000
Meeting Fee – Human Resources & Compensation Committee Chairman	2,500
Meeting Fee – Human Resources & Compensation Committee members	2,000

Each director is compensated for all reasonable out-of-pocket expenses incurred incidentally to attending a directors’ meeting. There are no incentive award payments to the directors of Lantic.

Attendance Record for Board Meetings

During the financial year ended October 3, 2020, (i) the Board of Directors of the Corporation held four regular meetings and four special meetings, (ii) the board of directors of Lantic held four regular meetings and four special meetings, (iii) the Audit Committee of the Board of Directors of the Corporation held four regular meetings, (iv) the Audit Committee of Lantic held four regular meetings, (v) the Nominating and Governance Committee of the Corporation held one regular meeting, (vi) the HRCC held one regular meeting, and (vii) the Strategic Initiative Committee held four regular meetings.

Attendance at such meetings by the Directors of the Corporation was as follows:

Name of Director	Number of Meetings Attended			
	Board	Audit Committee	Nominating and Governance Committee	Strategic Initiative Committee
M. Dallas H. Ross ⁽¹⁾⁽²⁾⁽⁶⁾	8 of 8	N/A	1 of 1	4 of 4
Dean Bergmame ⁽³⁾⁽⁵⁾	8 of 8	4 of 4	1 of 1	N/A
Gary M. Collins ⁽⁷⁾	8 of 8	4 of 4	N/A	2 of 2
Daniel Lafrance ⁽⁴⁾	8 of 8	4 of 4	N/A	4 of 4
William Maslechko ⁽⁵⁾	8 of 8	N/A	1 of 1	N/A
Stephanie Wilkes	8 of 8	N/A	N/A	4 of 4

Notes

- ⁽¹⁾ Chairman of the Board of Directors of the Corporation.
- ⁽²⁾ Chairman of the Strategic Initiative Committee.
- ⁽³⁾ Chairman of the Nominating and Governance Committee.
- ⁽⁴⁾ Chairman of the Audit Committee of the Corporation.
- ⁽⁵⁾ Mr. Bergmame and Mr. Maslechko also attended a Strategic Initiative Committee meeting.
- ⁽⁶⁾ Mr. Ross also attended two Audit Committee meetings.
- ⁽⁷⁾ Mr. Collins was appointed to the Strategic Initiative Committee in April 2020 and attended the two meetings that were held after his appointment.

Attendance at such meetings by the directors of Lantic was as follows:

Name of Director	Number of Meetings Attended			
	Board	Audit Committee	Human Resources and Compensation Committee	Strategic Initiative Committee
M. Dallas H. Ross ⁽¹⁾⁽²⁾⁽³⁾	8 of 8	N/A	1 of 1	4 of 4
Gary M. Collins ⁽⁶⁾	8 of 8	4 of 4	1 of 1	2 of 2
Michael A. Heskin ⁽⁵⁾	8 of 8	4 of 4	1 of 1	N/A
John Holliday.....	8 of 8	N/A	N/A	N/A
Donald G. Jewell.....	8 of 8	N/A	1 of 1	4 of 4
Daniel Lafrance ⁽⁴⁾	8 of 8	4 of 4	1 of 1	4 of 4

Notes

- ⁽¹⁾ Chairman of the Board of Directors of the Corporation.
- ⁽²⁾ Chairman of the Strategic Initiative Committee.
- ⁽³⁾ Chairman of the Human Resources and Compensation Committee.
- ⁽⁴⁾ Chairman of the Audit Committee of Lantic.
- ⁽⁵⁾ Mr. Heskin also attended a Strategic Initiative Committee meeting.
- ⁽⁶⁾ Mr. Collins was appointed to the Strategic Initiative Committee in April 2020 and attended the two meetings that were held after his appointment.

Total Compensation of the Directors of the Corporation and of Lantic

The table below shows the total compensation earned by the Directors of the Corporation during the fiscal year ended October 3, 2020:

Name	Fees earned (\$)		Shared based awards ⁽²⁾	Option based awards	Non-equity incentive plan compensation	Pension value	All other compensation	Total
	Retainer ⁽¹⁾	Attendance	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
M. Dallas H. Ross ⁽³⁾	79,700	43,000	30,800	—	—	—	—	153,500
Dean Bergmame.....	61,050	26,500	23,450	—	—	—	—	111,000
Gary M. Collins ⁽³⁾	54,800	26,000	23,450	—	—	—	—	104,250
Daniel Lafrance ⁽³⁾	66,050	34,000	23,450	—	—	—	—	123,500
William Maslechko.....	51,050	18,000	23,450	—	—	—	—	92,500
Stephanie Wilkes.....	51,050	22,000	23,450	—	—	—	—	96,500

Notes

⁽¹⁾ These amounts represent the portion paid in cash to the named Directors.

⁽²⁾ These amounts represent the cash value of the retainer paid in Common Shares purchased on the secondary market to the named Directors.

⁽³⁾ As of January 1, 2018, a Director that serves on the Board of the Corporation as well as on the board of directors of Lantic, including the Audit Committee, receives its compensation from the Corporation and does not receive any compensation from Lantic, other than any annual retainer and/or meeting fees related to the HRCC.

The table below shows the total compensation earned by the directors of Lantic, other than John Holliday, who was not remunerated as a director of Lantic during the year ended October 3, 2020:

Name	Fees earned (\$)		Shared based awards ⁽²⁾	Option- based awards	Non-equity incentive plan compensation	Pension value	All other compensation	Total
	Retainer ⁽¹⁾	Attendance	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
M. Dallas H. Ross ⁽³⁾	10,000	5,000	—	—	—	—	—	15,000
Gary M. Collins ⁽³⁾	7,500	2,000	—	—	—	—	—	9,500
Michael A. Heskin	58,550	28,000	23,450	—	—	—	—	110,500
Donald G. Jewell.....	58,550	26,000	23,450	—	—	—	—	108,000
Daniel Lafrance ⁽³⁾	7,500	2,000	—	—	—	—	—	9,500

Notes

⁽¹⁾ These amounts represent the portion paid in cash to the named directors.

⁽²⁾ These amounts represent the cash value of the retainer paid in Common Shares purchased on the secondary market to the named directors.

⁽³⁾ As of January 1, 2018, a Director that serves on the Board of the Corporation as well as on the board of directors of Lantic, including the Audit Committee, receives its compensation from the Corporation and does not receive any compensation from Lantic, other than any annual retainer and/or meeting fees related to the HRCC.

Administration of the Corporation

Pursuant to a new Administration Agreement entered into with Lantic following the conversion of Rogers Sugar Income Fund (the “Fund”) to Rogers Sugar Inc. as of January 1, 2011 by way of an arrangement under the *Canada Business Corporations Act* (the “Arrangement”), Lantic provides or arranges for the provision of services required in connection with the administration of the Corporation. See “Statement of Corporate Governance Practices — Administration Agreement”. In consideration of its services, Lantic receives an annual fee of \$50,000 plus certain out-of-pocket expenses. During the year ended October 3, 2020, Lantic, as Administrator, was paid a total of \$50,000.

Compensation of the Executives of Lantic

Compensation Discussion and Analysis

The HRCC, composed of all of the members of the board of directors of Lantic (with the exception of the President and CEO of Lantic), has been in place since 2004, with the following specific mandate as regards to executive compensation:

- Review and approve any changes to Lantic’s compensation policies and programs; and
- Proceed with a regular review and continued monitoring of the compensation package of the executive leadership team and members of the board of directors of Lantic.

The HRCC’s primary objective for the Lantic executive compensation programs are as follows: to attract, retain and motivate qualified executives who are committed to improving Lantic’s performance and enhancing Shareholder value.

Such objective is achieved by:

- Providing a total compensation that is competitive with the compensation received by executives employed in a group of comparable Canadian companies;
- Ensuring that executive compensation is linked to performance through Lantic’s variable compensation plans where the performance goals are properly balanced in regards to short-term and long-term objectives; and
- Providing executives with long-term equity-based incentive plans, or similar incentive plans such as stock options or performance share units, in order to better align the interests of Lantic’s executives with those of the Shareholders.

In November 2017, a review of the Lantic executive compensation package was undertaken by the HRCC, with the support of Hugessen Consulting.

In proceeding with this exercise, the HRCC reviewed a group of companies deemed to constitute a valid comparator group. In order to ensure an appropriate comparison to current market pay levels, the comparator group was updated based on the following criteria:

- Canadian entities
- “Consumer Staples” industry classification
- Publically-traded entities
- Revenues between \$180 million and \$2.0 billion
- Beta less than 1.00 (i.e. the measure of risk compared to the overall market)

In 2017, the following peer group was reviewed and approved:

AGT Food and Ingredients Inc.	Colabor Group Inc.	Liquor Stores N.A. Ltd.
Andrew Peller Ltd.	High Liner Foods Inc.	Premium Brands Holdings Corp.
Clearwater Seafoods Inc.	Lassonde Industries Inc.	SunOpta Inc.

The HRCC is of the opinion that there are no risks associated with Lantic’s compensation policies and practices that are reasonably likely to have a material effect on Lantic. No executive officer is permitted to purchase financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by an executive officer.

In fiscal 2016, the HRCC proceeded with a review of the incentive programs in place for executive officers and employees. The goal was to have these programs evolve towards a new structure that will link, in a much greater proportion, individual payouts to predetermined and measurable goals and objectives. A first phase was approved for fiscal 2016 that modified the weight of group and individual objectives in the determination of short term incentive plan payouts. In fiscal 2017, following the review of the incentive plans, a new Medium Term Incentive Plan (“MTIP”) was approved, which replaced the Short Term Incentive Plan (“STIP”) and the old Long Term Incentive Plan (“Old LTIP”), on a phased approach, for the entire executive leadership team and for a designated group of Senior Managers approved by the HRCC. In November 2017, the HRCC approved a new Long Term Incentive Plan (“New LTIP” or

“LTIP”) which is comprised of Performance Share Unit Plan (“PSU”) and Share Option Plan. For the years ended October 3, 2020 and September 28, 2019, the incentive plans applicable to the executive leadership team and a designated group of Senior Managers are the MTIP and the LTIP.

Elements of the Executive Compensation Program

The Lantic Executive Compensation Program is comprised of fixed and variable components. The variable components include equity and non-equity incentive plans. Each compensation component has a different function, but all elements work in concert to maximize Lantic’s and individual performance, with a short and a long term perspective, and a sound objective of continuous improvement.

In fiscal 2019, the compensation program consisted of the following four basic components:

- base salary;
- non-equity incentives – consisting of a cash bonus linked to the annual performance of Lantic and the employee, payable over a three-year period;
- equity incentives – comprised of performance share units and stock options; and
- other elements of compensation – consisting of benefits, perquisites and retirement benefits.

On November 22, 2017, the Board of Directors of the Corporation and the board of directors of Lantic adopted the PSU Plan, which became an integral component of the equity incentives provided to executive officers with the first grant of 224,761 PSUs on December 4, 2017. On December 3, 2018, the Board of Directors of the Corporation and the board of directors of Lantic awarded to executive officers a second grant of 290,448 PSUs. On December 2, 2019, the Board of Directors of the Corporation and the board of directors of Lantic awarded to executive officers a third grant of 324,932 PSUs. On December 7, 2020, the Board of Directors of the Corporation and the board of directors of Lantic awarded to executive officers a fourth grant of 463,238 PSUs. For further details, refer to section “Share Based Compensation – Performance Share Units” below.

Every year and in accordance with its mandate, the HRCC meets to proceed with a review of the performance of each executive (the Chairman of the board of directors of Lantic reporting on the President and CEO’s performance, and the President and CEO reporting on the other executive officers) and decides on different aspects related to compensation, such as base salary reviews, approvals of individual bonus payouts, and determination of the new applicable target/objectives for these programs.

- **Base Salary**

Base salary is based on the executive’s level of responsibility, skills and experience. Assessments are performed regularly, with the assistance of an independent external consulting firm, to determine whether a salary increase is warranted, based upon performance and taking into account the market median.

- **Medium Term Incentive Plan**

In fiscal 2016, the HRCC approved the MTIP for the entire executive leadership team and to designated Senior Managers approved by the HRCC. The MTIP started in fiscal 2017 and replaced the STIP and Old LTIP. MTIP payouts are based on a pro-rata of three criterion, which were and are 50% adjusted earnings before interest and taxes (“Adjusted EBIT”), 10% safety results and 40% individual and group objectives. Individual and group objectives have a component of longer-term objectives. Group objectives for the executive leadership team are approved by the HRCC. Starting in fiscal 2019, the 50% adjusted EBIT component was replaced by 50% of adjusted earnings before Interest, taxes, depreciation and amortization (“Adjusted EBITDA”).

Each participant has a targeted bonus expressed as a percentage of base salary (the President and CEO at 60% with a maximum at 120%, the COO & President of TMTC at 50% with a maximum of 100%, Vice-Presidents at 40% with a maximum at 80%, and designated Senior Managers at 20% with a maximum at 40%). Recommendations for payouts are submitted by the President and CEO to the HRCC for review. Recommendations for pay-outs to the President and CEO are submitted by the Chairman of the board of directors of Lantic to the HRCC for review. The MTIP payouts are paid over a three-year period, representing 70% in year one, 15% in year two and 15% in year three,

as long as the participant remains under Lantic's employment. Upon retirement, any deferred payout is paid to the employee in December following the employee's retirement date.

- **Long Term Incentive Plan ("LTIP")**

On November 22, 2017, the Board of Directors of the Corporation and the board of directors of Lantic adopted a LTIP which is comprised of a combination of 70% PSU Plan and 30% Share Option Plan, except for the former Vice-President Finance, Chief Financial Officer ("CFO") and Secretary, whereby the LTIP was associated 100% to the PSU Plan.

The purpose of the LTIP is to provide executive officers, including the named executive officers of Lantic and other subsidiaries of the Corporation and designated Senior Managers, with additional compensation opportunities through the granting of performance share units ("PSUs") and Share Options. The purposes of the LTIP are to: (i) foster the growth and success of the business of the Corporation in accordance with its vision, (ii) promote a greater alignment of interest between the participants and the Shareholders, (iii) focus participants on, and reward participants for, achieving specific long-term financial goals and performance objectives, and (iv) assisting the Corporation in attracting, retaining and rewarding senior management and key employees.

The LTIP, consisting of PSU grants and Share options, and as applicable, stock appreciation rights, serves to align executive compensation with the Shareholders' interests. Both components of the LTIP are an important tool to encourage executive officers and designated Senior Managers to deliver the Corporation's business plan and lay the basis for the future, while also limiting the Shareholder dilution created by the use of stock options.

Pursuant to the LTIP, the Board of Directors of the Corporation, or the HRCC, to the extent it has been delegated the powers conferred to the Board of Directors of the Corporation under the LTIP, may from time to time by resolution (i) determine the individuals (from among the senior management and employees of the Corporation and any of its subsidiaries) to whom PSUs and Share options may be granted, (ii) fix the number of PSUs and Share option to be granted to each such participant, and (iii) fix the relevant vesting criteria and other conditions of the PSUs and Share options.

For details of the PSU Plan and Share Option Plan, refer to section "Share Based Compensation – Performance Share Units" and "Share Based Compensation – Share Option Plan" below.

- **Non-International Financial Reporting Standards ("IFRS") Measures**

Lantic selected adjusted EBIT, and starting in fiscal 2019, adjusted EBITDA as part of a measure for performance goals as it believes it is a fair and accurate representation of Lantic's profitability that executives can help to influence. Adjusted EBIT and Adjusted EBITDA are a non-IFRS measure and do not have standardized meanings under IFRS.

- **Retirement and pension arrangements**

A defined contribution ("DC") pension arrangement composed of a basic registered DC pension plan, where Lantic contributes a percentage of each executive base salary (President and CEO at 15% and Vice-Presidents at 12%), subject to the maximum allowed under the *Income Tax Act* (Canada), and a DC SERP for contributions exceeding the allowed maximum is in place for the entire executive leadership team. Contributions to the DC SERP vest gradually and are paid over a three-year period at termination or retirement. The payments, at termination or retirement, are conditional on the executive complying with a three-year non-competition provision.

- **Share Based Compensation / Employee Share Purchase Plan ("ESPP") / Share Holding Policy**

Four programs are in place to better align the interests of executives and designated Senior Managers of Lantic with those of the Shareholders:

- **Share Based Compensation**

- a) Performance Share Units**

The PSU component of the LTIP has a performance cycle consisting of three financial years of the Corporation (a "Performance Cycle"), unless otherwise determined by the Board of Directors of the Corporation. At the time of

PSU grants, the Board of Directors of the Corporation determines at its sole discretion the vesting conditions (the “Vesting Conditions”) which must be met by the Corporation. Following the end of a Performance Cycle, the Board of Directors of the Corporation will determine, and to the extent only that the Vesting Conditions include financial conditions, concurrently with the release of the Corporation’s financial and/or operational results for the fiscal year ended at the end of the Performance Cycle, whether the Vesting Conditions for the PSUs granted to a participant relating to such Performance Cycle have been achieved. Depending on the achievement of the Vesting Conditions, between 0% and 200% of the PSUs will become vested. The Board of Directors of the Corporation has the discretion to determine that all or a portion of the PSUs granted to a participant for which the Vesting Conditions have not been achieved shall vest to such participant. Dividends declared on Common Shares are converted into a dollar equivalent of PSUs, based on the closing value of the Common Share price on the dividend record date and are added to the number of PSUs granted.

The following table outlines the Vesting Conditions of the Performance Cycle:

Performance Cycle	Grant Date	Vesting conditions	Performance results
2018 - 2020	December 4, 2017	Range of TSR ⁽¹⁾ : 10% - 12.99% 13% - 15.9% 16% and higher	0% to 99% 100% to 199% 200%
2019 - 2021	December 3, 2018	Range of TSR: 10% - 12.99% 13% - 15.9% 16% and higher	0% to 99% 100% to 199% 200%
2020 - 2022	December 2, 2019	Range of TSR: 10% - 12.99% 13% - 15.9% 16% and higher	0% to 99% 100% to 199% 200%
2021-2023	December 7, 2020	Range of TSR: 10% - 12.99% 13% - 15.9 % 16% and higher	0% to 99% 100% to 199% 200%

Note

⁽¹⁾ The Total Shareholder Return (“TSR”) is measured in absolute performance by taking into consideration the sum of the compounded share price appreciation and the dividend yield. The three-year cycle is divided into four components: each individual year weighing 15%, for an aggregated total of 45% and the full three-year period weighting 55% of the total performance results. Each component is calculated using the TSR results and is always measured on a compounded basis, using the Common Share price of the grant date regardless of the share price at the beginning of year 2 and 3. In other words, the TSR targets are set at the time of grant for the three-year performance period, but each year’s performance is separately measured to reduce the impact of a single year’s performance. The TSR performance results are equal to the sum of all four components as follows: all reinvested per-share dividends declared on Common Shares during a given year + the variation of the Common Share Price between the grant date and the end for the year / Common Share Price at the grant date. PSUs are automatically forfeited and cancelled if the Corporation decreases dividend paid on common shares.

The following table outlines the Common Share price required at the end of each year in order to meet the Vesting Conditions of the Performance Cycle for each component:

Performance Cycle	Year 1 (15%) ⁽¹⁾	Year 2 (15%) ⁽¹⁾	Year 3 (15%) ⁽¹⁾	Year 1 to 3 (55%) ⁽¹⁾
2018 – 2020	Minimum: \$6.60 ⁽²⁾ Target: \$6.79 Maximum: \$6.97	Minimum: \$6.89 ⁽³⁾ Target: \$7.29 Maximum: \$7.70	Minimum: \$7.20 ⁽⁴⁾ Target: \$7.85 Maximum: \$8.54	Minimum: \$7.20 Target: \$7.85 Maximum: \$8.54
2019-2021	Minimum: \$5.79 ⁽³⁾ Target: \$5.95 Maximum: \$6.12	Minimum: \$5.99 ⁽⁴⁾ Target: \$6.34 Maximum: \$6.71	Minimum: \$6.22 Target: \$6.78 Maximum: \$7.39	Minimum: \$6.22 Target: \$6.78 Maximum: \$7.39
2020-2022	Minimum: \$5.58 ⁽⁴⁾ Target: \$5.74 Maximum: \$5.89	Minimum: \$5.76 Target: \$6.10 Maximum: \$6.45	Minimum: \$5.97 Target: \$6.51 Maximum: \$7.09	Minimum: \$5.97 Target: \$6.51 Maximum: \$7.09
2021-2023	Minimum: \$4.91 ⁽⁵⁾ Target: \$5.05 Maximum: \$5.19	Minimum: \$5.02 Target: \$5.33 Maximum: \$5.63	Minimum: \$5.14 Target: \$5.64 Maximum: \$6.16	Minimum: \$5.14 Target: \$5.64 Maximum: \$6.16

Notes

- (1) Assumes no change in the current annual dividend payment of \$0.36 per share
(2) The volume weighted average price as at September 30, 2017 was \$6.34
(3) The volume weighted average price as at September 29, 2018 was \$5.60
(4) The volume weighted average price as at September 28, 2019 was \$5.41
(5) The volume weighted average price as at October 3, 2020 was \$4.80

The value to be paid-out to each participant will be equal to the result of: the number of PSUs granted to the participant which have vested, multiplied by the volume weighted average closing price (“VWAP”) of the Common Shares on the Toronto Stock Exchange (the “TSX”) for the five trading days immediately preceding the day on which the Corporation shall pay the value to the participant under the PSU Plan, and such date will in no event occur after December 31 of the third calendar year following the calendar year in which the PSUs are granted.

The PSU Plan provides certain rules, subject to the discretion of the Board of Directors of the Corporation, for the vesting and/or cancellation of PSUs in the case of termination of employment for cause, by reason of death, disability, by reason of retirement and other circumstances of termination.

The PSU Plan further provides that in the event of a change of control, the Board of Directors of the Corporation has discretion with respect to the treatment of PSUs, which could result in substitution grants under a new entity. A change of control is defined as the occurrence of any or more of the following events: (i) the acquisition of ownership, directly or indirectly, beneficially or of record, by any person or combination of persons acting jointly or in concert with each other, of Common Shares representing more than 50% of the aggregate voting rights represented by the issued and outstanding Common Shares, (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the assets, rights or properties of the Corporation and/or its subsidiaries to any other person or entity, other than a disposition to a wholly-owned subsidiary of the Corporation in the course of a reorganization of the business or assets of the Corporation and/or its subsidiaries, (iii) a resolution is adopted to wind-up, dissolve or liquidate the Corporation, (iv) as a result of or in connection with (A) a contested election to the Board of Directors of the Corporation, or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its subsidiaries and another person or entity, or (v) the Board of Directors of the Corporation adopts a resolution to the effect that a change of control as defined in the PSU Plan has occurred or is imminent.

Should the participant’s employment be terminated for cause or by voluntary resignation, all PSUs, whether or not vested, will be immediately forfeited and cancelled. If a participant is terminated other than for cause, all PSUs not yet vested will be immediately forfeited and cancelled unless the Board of Directors of the Corporation determines, in its sole discretion, that the PSUs granted to such Participant continue to vest in accordance with the original vesting schedule and be subject to the original Vesting Conditions as at the end of the Performance Cycle. If a participant ceases to be an executive officer or employee as a result of a retirement, all PSUs will continue to vest in accordance with in the original vesting schedule and be subject to the original Vesting Conditions as at the end of the Performance Cycle. For terminations by reason of disability, the participant will be entitled to prorated vesting based on the number of months elapsed in the Performance Cycle to the day of the disability. The pro-rated PSUs will be determined by

dividing the number of days actually worked before the day of the disability by the number of days included in the original vesting schedule, in addition to the achievement of the Vesting Conditions as at the end of the Performance Cycle. If a participant ceases to be an executive officer or employee as a result of death, all PSUs not yet vested will immediately vest and be settled as soon as possible with the succession of such participant.

If within the 36 months following the settlement of PSUs, the Corporation's financial statements are subject to material restatement due to a serious misconduct, fraud or gross negligence of an employee of the Corporation, the Board of Directors of the Corporation may, at its sole discretion, review the Vesting Conditions, if applicable, and/or the market value of PSUs paid-out and recalculate such value to reflect the materially restated financial statements, following which the participant will be responsible to reimburse the Corporation for any excess after-tax amount received and conversely, the Corporation will be responsible to compensate the participant for any shortfall in the amount previously paid, unless the Board of Directors of the Corporation, in its sole discretion, decides otherwise, for example if the excess or shortfall amounts are not significant.

The following table represents the aggregate PSUs outstanding as of December 18, 2020:

Performance Cycle	Grant date	Total PSUs outstanding
2018 – 2020	December 4, 2017	250,326
2019 – 2021	December 3, 2018	304,306
2020 – 2022	December 2, 2019	324,932
2021-2023	December 7, 2020	463,238

b) Share Option Plan

On July 1, 2005, the Fund established a unit option plan providing for a maximum of 850,000 units to be granted, at the trustees' discretion, for the purpose of attracting, retaining and motivating employees recognized as key service providers to Lantic. On January 1, 2011, the 450,000 options outstanding under the unit option plan were transferred to a share option plan (the "Share Option Plan") on a one-for-one basis. On January 29, 2015, the Share Option Plan was amended to increase the maximum number of Common Shares which may be issued under the Share Option Plan from 450,000 to 4,000,000. On November 25, 2020, the Board of Directors of the Corporation resolved to adopt an amended and restated Share Option Plan (the "Amended and Restated Share Option Plan"), subject to the approval of the Shareholders as further described at section "Ratification of Amended and Restated Share Option Plan" below.

The Share Option Plan is administered by the Board of Directors of the Corporation. Pursuant to the terms of the Share Option Plan, as amended, options to purchase Common Shares ("Options") may be granted to senior personnel of the Corporation and its affiliates (the "Corporate Group"), certain corporations controlled by such individuals and family trusts of which such individuals and/or their spouse, minor children or grandchildren are beneficiaries (each, an "Eligible Person") as determined by the Board of Directors of the Corporation from time to time.

The Share Option Plan provides that, subject to any adjustments in accordance with its terms, the price at which Common Shares may be purchased under Options shall in no circumstances be lower than the volume weighted average trading price of the Common Shares on the TSX for the five (5) days immediately preceding the date of the grant of the Options. In no event may the term of an Option exceed ten (10) years from the date of the grant thereof.

Currently, the aggregate number of Common Shares reserved for issuance upon the exercise of all Options granted under the Share Option Plan, subject to adjustment pursuant to anti-dilution provisions, shall not exceed 4,000,000 Common Shares, representing approximately 3.9% of the issued and outstanding Common Shares. Under the Amended and Restated Share Option Plan, the aggregate number of Common Shares reserved for issuance would be increased from 4,000,000 Common Shares to 6,000,000 Common Shares, representing approximately 5.8% of the issued and outstanding Common Shares. The aggregate number of Common Shares reserved for issuance at any time to any one optionee shall not exceed five percent (5%) of the number of Common Shares outstanding on a non-diluted

basis at such time, less the total of all Common Shares reserved for issuance to such optionee pursuant to any other share compensation arrangement of the Corporate Group. The aggregate number of Common Shares issuable (or, reserved for issuance) to insiders of the Corporate Group under the Share Option Plan or any other share compensation arrangement of the Corporate Group, cannot at any time exceed ten percent (10%) of the issued and outstanding Common Shares. The aggregate number of Common Shares issued to insiders of the Corporate Group under the Share Option Plan or any other share compensation arrangement of the Corporate Group, within a one-year period, cannot exceed ten percent (10%) of the issued and outstanding Common Shares. In addition, under the Amended and Restated Option Plan, the aggregate fair value of Options granted under the Amended and Restated Share Option Plan or any other share compensation arrangement to any member of the Board of Directors of the Corporation who is not an employee of the Corporate Group (each a “**Non-Employee Director**”) entitled to receive a benefit thereunder, within any one (1) year period, cannot exceed \$100,000 valued on a Black-Scholes basis and as determined by the Board of Directors of the Corporation; and the aggregate number of Common Shares issuable to all Non-Employee Directors entitled to receive a benefit thereunder, under the Amended and Restated Share Option Plan or any other share compensation arrangement, cannot exceed 1% of the Corporation’s issued and outstanding Common Shares.

An Option or interest therein is personal to each optionee and is non-assignable other than by will or the law of succession (or to certain corporations controlled by the individual or family trusts, subject to the approval of the Board of Directors of the Corporation), nor shall an Option be hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of on pain of nullity. An Option, and all rights to purchase Common Shares pursuant thereto, shall expire and terminate immediately upon the optionee ceasing to be an Eligible Person. Under the Share Option Plan, if, before the expiry of an Option, the employment of the optionee shall terminate for any reason whatsoever other than termination for cause, but including termination by reason of the death of the optionee, such Option may, subject to the terms thereof, be exercised, if the optionee is deceased, by the legal personal representative(s) of the estate of the optionee during the first year following the death of the optionee, or if he or she is alive, by the optionee, at any time within three (3) months of the date of termination of the employment of the optionee (but in either case prior to the expiry of the Option), but only to the extent that the optionee was entitled to exercise such Option at the date of the termination of his or her employment. Subject to the rules of any securities exchange or other governmental or regulatory body, the Board of Directors of the Corporation may, by resolution, decide that any of the provisions hereof concerning the effect of ceasing to be an Eligible Person shall not apply to any optionee for any reason acceptable to the Board of Directors of the Corporation. Under the Amended and Restated Share Option Plan, the foregoing shall be amended such that, if an optionee ceases to be an employee of the Corporate Group as a result of such employee’s Retirement (as such term is defined in the Amended and Restated Share Option Plan, the full text of which is attached hereto at Exhibit A to Schedule D), the Board of Directors of the Corporation shall have the right by resolution to provide that all Options granted to such optionee shall continue to vest for a two (2) year period following termination of such employee’s employment in accordance with the original vesting schedule, and such optionee shall be entitled to exercise all vested options during such two (2) year period.

Furthermore, at the time an optionee ceases to be an Eligible Person for any reason, the Board of Directors of the Corporation shall have the right to extend the period of time over which any Option is exercisable; provided, however, that (i) if such period of time exceeds the maximum period of time permitted as described above, such extension shall be subject to any required consent or approval of any securities exchange or other governmental or regulatory body; or (ii) if such extension benefits an insider of the Corporation, such extension shall be subject to the approval of the Shareholders. In the event the Corporation proposes to consolidate, merge or amalgamate with any other trust or entity (other than a wholly-owned entity) or to distribute all of its assets or to liquidate, dissolve or wind-up, or in the event an offer to purchase or repurchase the Common Shares or any part thereof shall be made to all or substantially all Shareholders, including, without limitation, a take-over bid (collectively, an “Acceleration Event”), the Board of Directors of the Corporation may, in its sole discretion, give notice in writing to each optionee advising such optionee that all Options (whether vested or unvested) may be exercised in whole or in part by the optionees, upon the conditions determined by the Board of Directors of the Corporation in its sole discretion, and any Options not so exercised shall automatically expire, provided, however, that, if the Acceleration Event is not completed, the Common Shares issued pursuant to the exercise of Options in accordance with this provision shall be returned by the optionee to the Corporation and reinstated as authorized unissued Common Shares and the initial terms of the Options hereof shall apply again to such Options.

In the event of the sale by the Corporation of all or substantially all of the assets of the Corporation as an entirety or substantially as an entirety so that the Corporation shall cease to operate as an active business, any outstanding Option may be exercised as to all or any part of the Common Shares subject to Options in respect of which the optionee

would have been entitled to exercise the Option in accordance with the provisions of the Share Option Plan at the date of completion of any such sale at any time up to and including, but not after the earlier of: (i) the close of business on that date which is thirty (30) days following the date of completion of such sale; and (ii) the close of business on the expiration date of the Option; but the optionee shall not be entitled to exercise the Option with respect to any other Common Shares subject to Options.

Subject to the rules of the TSX or other governmental or regulatory body, the Board of Directors of the Corporation may, by resolution, advance the date on which any Option may be exercised or extend the expiration date of any Option; provided, however, (i) that an extension of the term of an Option benefiting an insider of the Corporation requires the approval of the Shareholders; and (ii) that the period during which an Option is exercisable does not exceed ten (10) years from the date the Option is granted. The Board of Directors of the Corporation may, subject to the prior approval of, or acceptance by, the TSX and any other governmental or regulatory body, amend or discontinue the Share Option Plan at any time; provided, however, that no such amendment may increase the maximum number of Common Shares that may be optioned under the Share Option Plan, change the manner of determining the minimum exercise price or, without the consent of the optionee, materially and adversely affect any Option previously granted to an optionee, except to the extent required by law. Notwithstanding the foregoing, (i) a reduction in the exercise price of an Option benefitting an insider of the Corporation, (ii) an extension of the expiration date of an outstanding Option benefitting an insider of the Corporation, (iii) any amendment to remove or to exceed the insider participation limits specified in the Share Option Plan, (iv) any amendment which would permit Options to be transferable or assignable other than for normal estate settlement purposes and other than as specified in the Share Option Plan, or (v) any amendment to the Share Option Plan so as to increase the ability of the Board of Directors of the Corporation to amend the Share Option Plan without shareholder approval, may not be made without the approval of the Shareholders (excluding the votes of securities held directly or indirectly by insiders benefiting from the amendment, as the case may be), provided that an adjustment to the exercise price of an Option subject to any applicable regulatory requirements, shall not require approval of the Shareholders.

- **Common Shares Authorized for Issuance under the Share Option Plan**

Share Option Plan Category	Number of Shares to be Issued upon Exercise of Options, as at October 3, 2020	Weighted-average Exercise Price of Options as at October 3, 2020	Number of Common Shares Remaining Available for Future Issuance under Option-based Compensation Plans, Excluding Securities Reflected in First Column, as at October 3, 2020
Share Option Plan approved by Shareholders	3,535,997 ⁽¹⁾	\$5.39	144,003

Note

(1) Since January 1, 2011, 320,000 Options have been exercised and 210,000 Options were forfeited.

- **Burn Rate under the Corporation's Share Option Plan**

The burn rate is calculated by adding annually the total number of share options granted under the Share Option Plan, divided by the weighted average number of shares outstanding for the applicable year.

	2020	2019	2018
Share Options granted	813,500	447,175	1,065,322
Weighted average outstanding shares	104,211,194	104,946,767	105,375,826
Burn Rate	<u>0.78%</u>	<u>0.43%</u>	<u>1.01%</u>

- **ESPP**

Effective July 1, 2016, the Corporation and Lantic established the ESPP whereby an employee can contribute, in increments of \$500, up to a maximum of \$2,000 annually, to purchase Common Shares in the open market. Under the ESPP, Lantic agrees to match the employee contribution at a rate of 20%.

- **Share Holding Policy**

This policy allows the HRCC to require executives and designated Senior Managers to acquire, within a five-year period, a certain number of Common Shares corresponding in value to a percentage of base salary (the President and CEO at 100%, Vice-Presidents at 50%, and a designated group of Senior Managers at 10%).

- **Recoupment Policy**

Effective November 25, 2020, this policy allows the Board of Directors of the Corporation to determine to recoup cash bonuses, Options and Performance Share Units and any other incentive compensation paid or granted from time to time to the Executive Officers based on the achievement of financial results in the event of a material financial statement restatement to the extent that the amount of such compensation would have been lower if the financial results had been properly reported.

- **Perquisites and other benefits**

A Group Registered Retirement Saving Plan (“RRSP”) is in place for all employees, whereby Lantic contributes 3% of the employee’s salary and matches at a pro-rata of 50% the employee’s contribution for a total maximum employer contribution of 6%.

Group insurance programs are aligned with the group insurance programs offered to all other employees of Lantic. In addition, car allowances are given to certain Lantic executives and to some other designated employees.

Share-based awards

PSUs accumulate dividends declared on Common Shares and are converted into a dollar equivalent of PSUs, based on the closing value of the Common Share price on the dividend record date. The following table represents the additional PSUs granted as a result of a dividend declared on Common Shares:

Performance Cycle	Grant date	PSU on Grant date	Additional PSUs	Total PSUs outstanding
2018 – 2020	December 4, 2017	224,761	44,372	269,113
2019 – 2021	December 3, 2018	290,448	22,859	327,165
2020 – 2022	December 2, 2019	324,932	18,734	343,666
2021-2023	December 7, 2020	463,238	N/A	463,238

Option-based awards

On March 20, 2020, 250,000 Share Options were granted to one executive. On December 2, 2019, 563,500 Share Options were granted to a group of executives. On December 3, 2018, 447,175 Share Options were granted to a group of executives.

Compensation Governance

The members of the HRCC are:

M. Dallas H. Ross
Gary M. Collins
Michael A. Heskin
Donald G. Jewell
Daniel Lafrance

Messrs. Ross, Collins and Lafrance are independent members of the HRCC.

Despite the fact that no member carries a direct and thorough expertise on the subject of executive compensation, they are all seasoned businessmen who have, at numerous occasions during their career, dealt with compensation matters.

The HRCC has, since its inception in 2004, relied on an independent consulting firm, Willis Towers Watson, and from fiscal 2017 onwards, Hugessen Consulting, to provide the necessary data and observations for the HRCC to decide on changes or modifications to the executive compensation package. The HRCC has also, since inception, relied on Lantic's President and CEO and Vice-President, Human Resources or other executive assuming similar functions, to provide the necessary business/operational information and financial information for the HRCC to decide on targets and payouts for the STIP, Old LTIP, New LTIP and MTIP. Finally, the HRCC has, since inception, relied on Lantic's President and CEO for a report on the performance of each executive for the year, and on the Chairman of the board of directors of Lantic for a report on the performance of the President and CEO of Lantic.

Executives have no other role in the determination of executive compensation.

Hugessen Consulting is the only firm that provided services in support of the HRCC activities during fiscal 2019. Hugessen Consulting did not provide any other services to Lantic.

The following table outlines the fees paid to Hugessen Consulting for services provided during fiscal 2019:

<u>Consultant</u>	<u>Fee category</u>	<u>2020</u>	<u>2019</u>
Hugessen Consulting	Executive compensation-related fees	—	\$10,219
	All other fees	—	—

The Board of Directors of the Corporation and the HRCC do not have to pre-approve the consulting services that are not related to executive compensation.

Summary Compensation Table

The following table sets forth information concerning the compensation of named executive officers of Lantic for services rendered during the fiscal years ended October 3, 2020, September 28, 2019 and September 29, 2018.

Name and principal position	Year	Salary (\$)	Share-based awards	Option-based awards ⁽⁸⁾	Non-equity incentive plan compensation	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
			(S)	(S)	(S)			
			LTIP	LTIP	Annual incentive plans ⁽¹⁾			
JOHN HOLLIDAY President and CEO	2020	494,635	23,493 ⁽⁵⁾	48,365	293,400	72,000	—	931,893
	2019	475,000	106,723 ⁽⁶⁾	67,881	—	71,300	—	720,904
	2018	465,578	562,183 ⁽⁷⁾	73,645	252,000	69,900	—	1,423,306
JEAN-SÉBASTIEN COUILLARD ⁽⁴⁾ Vice-President, Finance, CFO & Secretary	2019	21,923	N/A	N/A	—	2,300	—	24,223
MANON LACROIX Former Vice-President, Finance, CFO & Secretary ⁽²⁾	2020	262,077	—	—	—	35,600	789,360	1,087,037
	2019	287,308	52,573 ⁽⁶⁾	—	—	34,500	—	374,381
	2018	272,596	280,001 ⁽⁷⁾	—	100,000	32,800	—	685,397
PATRICK DIONNE Vice-President, Operations and Supply Chain	2020	302,327	8,483 ⁽⁵⁾	17,464	119,600	35,000	—	482,874
	2019	287,308	32,202 ⁽⁶⁾	20,708	—	34,500	—	374,718
	2018	280,000	147,003 ⁽⁷⁾	19,256	100,000	33,600	—	579,859
MICHAEL W. WALTON Chief Operating Officer of Lantic & President of The Maple Treat Corporation ⁽³⁾	2020	373,154	12,637 ⁽⁵⁾	51,652	179,958	43,400	—	660,081
	2019	319,307	55,004 ⁽⁶⁾	35,372	—	38,100	—	447,783
	2018	314,143	292,947 ⁽⁷⁾	38,375	120,000	36,900	—	802,365
JEAN-FRANÇOIS KHALIL Vice-President, Human Resources	2020	242,731	6,816 ⁽⁵⁾	14,031	96,000	28,600	—	388,178
	2019	230,846	26,162 ⁽⁶⁾	16,640	—	27,700	—	301,348
	2018	225,000	118,127 ⁽⁷⁾	15,474	80,000	27,000	—	465,601

Notes

- (1) Bonus payouts are payable 70% the following year and 15% each of the subsequent two years. Please refer to the above section “Compensation of the Executives of Lantic – Elements of the Executive Compensation Program” for a description of the applicable MTIP.
- (2) Effective August 14, 2020, Ms. Lacroix ceased to be Vice-President Finance, CFO & Secretary. In connection with Ms. Lacroix’s departure, an amount of \$789,360 has been included in all other compensation.
- (3) Mr. Walton was appointed Chief Operating Officer on May 21, 2020.
- (4) Mr. Couillard was appointed Vice-President, Finance, CFO & Secretary on September 8, 2020. Mr. Couillard’s annual salary is \$300,000.
- (5) For the purpose of calculating the fair value of the PSU award on the grant date of December 2, 2019, a Monte Carlo model was used and amounted to a total of \$51,428 for the aggregate number of PSUs granted to the named executive officers. See the “Share Based Compensation – Performance Share Units” section for more details on the PSU grant and the vesting conditions. These amounts do not constitute cash amounts received by the named executive and represent an at-risk value that may or may not be paid at the end of the 3-year cycle and as such, may never be realized. In fact, the accounting compensation expense to the Corporation of the Performance Cycle 2020-2022 for the fiscal year ended October 3, 2020 amounted to a total of \$14,468. As detailed in the above section “Share Based Compensation – Performance Share Units”, the share price would need to reach a minimum of \$5.97 at the end of the 3-year cycle for the fair value expressed herein to materialize. See above section “Compensation of the Executives of Lantic – Elements of the Executive Compensation Program” for a description of the Performance Share Units.
- (6) For the purpose of calculating the fair value of the PSU award on the grant date of December 3, 2018, a Monte Carlo model was used and amounted to a total of \$272,664 for the aggregate number of PSUs granted to the 5 Executives. See the “Share Based Compensation –

Performance Share Units” section for more details on the PSU grant and the vesting conditions. These amounts do not constitute cash amounts received by the named executive and represent an at-risk value that may or may not be paid at the end of the 3-year cycle and as such, may never be realized. In fact, the accounting compensation expense to the Corporation of the Performance Cycle 2019-2021 for the fiscal year ended September 28, 2019 amounted to a total of \$35,369. As detailed in the above section “Share Based Compensation – Performance Share Units”, the share price would need to reach a minimum of \$6.22 at the end of the 3-year cycle for the fair value expressed herein to materialize. See above section “Compensation of the Executives of Lantic – Elements of the Executive Compensation Program” for a description of the Performance Share Units.

(7) For the purpose of calculating the fair value of the PSU award on the grant date of December 4, 2017, a 100% payout was assumed. Such fair value equals the number of PSUs granted multiplied by the VWAP for the Common Shares on the TSX during the five trading days prior to the grant date, which was \$6.23 for fiscal 2018. See the Share Based Compensation – Performance Share Units section for more details on the PSU grant and the vesting conditions. These amounts do not constitute cash amounts received by the named executive and represent an at-risk value that may or may not be paid at the end of the 3-year cycle and as such, may never be realized. In fact, the accounting compensation expense to the Corporation of the Performance Cycle 2018-2020 for the fiscal year ended September 28, 2019 was nil. As detailed in the above section “Share Based Compensation – Performance Share Units”, the share price would need to reach a minimum of \$7.20 at the end of the 3-year cycle for the fair value expressed herein to materialize. See above section “Compensation of the Executives of Lantic – Elements of the Executive Compensation Program” for a description of the Performance Share Units.

(8) In determining the fair value at grant date of the options granted, the Black-Scholes model was used with the following assumptions:

	2020	2019	2018
Expected volatility (weighted average volatility)	15.984% to 17.949%	15.688% to 17.166%	16.194% to 17.640%
Option life (expected weighted average life)	4 to 6 years	4 to 6 years	4 to 6 years
Expected dividends	7.48% to 8.49%	6.26%	5.71%
Weighted average risk-free interest rate (based on government bonds)	0.714% to 1.660%	1.842% to 1.853%	1.647% to 1.760%

The methodology used to calculate the fair value of the options granted is the same as the one used for financial reporting. Management believes that the Black-Scholes model used is adequate considering the relatively short contractual lives of the options granted and the world reputation of the model.

Incentive Plan Awards

The following table presents, for each named executive officer of Lantic, all of the option-based grants outstanding at the end of fiscal 2020 (see above section “Compensation of the Executives of Lantic – Elements of the Executive Compensation Program” for a description of the Share Option Plan).

Name	Grant year	Option-based Awards				Share-based Awards	
		Number of securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
JOHN HOLLIDAY	2015	660,000	4.59	May 22, 2025	105,600	N/A	N/A
	2016	60,000	6.51	December 5, 2026	—	N/A	N/A
	2017	38,673	6.23	December 4, 2027	—	90,238	— ⁽³⁾
	2018	—	5.58	December 3, 2028	N/A	105,556	— ⁽³⁾
	2019	257,410	4.68	December 2, 2029	18,019	120,125	— ⁽³⁾
JEAN-SÉBASTIEN COUILLARD	2019	N/A	N/A	N/A	N/A	N/A	N/A
PATRICK DIONNE	2017	10,112	6.23	December 4, 2027	—	23,596	— ⁽³⁾
	2018	—	5.58	December 3, 2028	N/A	32,202	— ⁽³⁾
	2019	92,949	4.68	December 2, 2029	6,506	43,376	— ⁽³⁾
MICHAEL W. WALTON	2012	80,000	5.61	March 19, 2022	—	N/A	N/A
	2016	60,000	6.51	December 5, 2026	—	N/A	N/A
	2017	20,152	6.23	December 4, 2027	—	47,022	— ⁽³⁾
	2018	—	5.58	December 3, 2028	N/A	55,004	— ⁽³⁾
	2019	138,462	4.68	December 2, 2029	9,692	64,615	— ⁽³⁾
	2020	250,000	4.25	March 20, 2030	125,000	N/A	N/A
JEAN-FRANÇOIS KHALIL	2016	24,000	6.51	December 5, 2026	—	N/A	N/A
	2017	8,126	6.23	December 4, 2027	—	18,961	— ⁽³⁾
	2018	—	5.58	December 3, 2028	N/A	33,094	— ⁽³⁾
	2019	74,679	4.68	December 2, 2029	5,227	34,850	— ⁽³⁾

Notes

- ⁽¹⁾ These amounts correspond to the outstanding vested option-based awards at the end of fiscal 2020.
- ⁽²⁾ These amounts corresponds to the aggregate value that would have been realized if the options had been exercised on October 3, 2020, based on the difference between the closing price of the Common Shares on the TSX of \$4.75 and the exercise price on such date. This value has not been, and may never be realized. The actual gain, if any, will depend on the value of the Common Shares on the dates the options are exercised.
- ⁽³⁾ The market values of the PSUs granted in 2017, 2018 and 2019 were nil as at October 3, 2020, given that the VWAP for the Common Shares on the TSX during the five trading days prior to October 3, 2020 was \$4.80, which is below the minimum threshold of the vesting condition for each of these years. The actual gains, if any, will depend on the value of the Common Shares on the vesting date of each component year. See above section “Compensation of the Executives of Lantic – Elements of the Executive Compensation Program” for a description of the Performance Share Units.

The following table presents, for each named executive officer of Lantic, the value of Options that have become vested during fiscal 2020 (see above section “Compensation of the Executives of Lantic – Elements of the Executive

Compensation Program” for a description of the Share Option Plan). In fiscal 2020, Lantic provided a share-based award in the form of a PSU Plan. However, given the nature of the PSU Plan (see above section “Compensation of the Executives of Lantic – Elements of the Executive Compensation Program” for a description of the Performance Share Unit Plan), there is no vesting or value earned under such plan until the three-year cycle has been completed and the TSR has been calculated.

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
JOHN HOLLIDAY	19,800	—	293,400
JEAN-SÉBASTIEN COUILLARD	N/A	N/A	—
PATRICK DIONNE	—	—	119,600
MICHAEL W. WALTON	—	—	179,958
JEAN-FRANÇOIS KHALIL	—	—	96,000

Note

⁽¹⁾ The options automatically vest at a rate of 20%, on each of the first five anniversaries of their date of grant. This value corresponds to the difference between the closing price of the Common Shares on the TSX and the exercise price on such vesting date. This value has not been, and may never be realized. The actual gain, if any, will depend on the value of the Common Shares on the dates the options are exercised.

Pension

On July 1, 2007, a DC arrangement (the “DC Arrangement”) was implemented, to which Lantic contributes 12% of the member’s base salary (15% for the President and CEO). The DC Arrangement is funded up to the maximum allowed under the *Income Tax Act* (Canada) through a basic defined contribution arrangement (the “Basic DC Arrangement”), with the remainder provided through the DC SERP, which is not funded. Lantic’s notional contributions under the DC SERP are adjusted each year with investment income, which can be negative, based on average mutual fund returns as determined in accordance with the DC SERP rules.

Mr. John Holliday was appointed President and CEO, effective May 1, 2015. Mr. Holliday immediately joined the Basic DC Arrangement and the DC SERP.

Ms. Manon Lacroix was appointed Vice-President, Finance & Secretary, effective August 4, 2013. Ms. Lacroix immediately joined the Basic DC Arrangement and the DC SERP. Prior to that, Ms. Lacroix participated in the DC pension arrangement for employees in the Eastern operations. Ms. Lacroix left Lantic on August 14, 2020.

Mr. Patrick Dionne was appointed Vice-President, Operations, effective April 17, 2017. Mr. Dionne immediately joined the Basic DC Arrangement and the DC SERP.

Mr. Michael W. Walton was appointed Vice-President, Sales & Marketing, effective April 4, 2011. Mr. Walton immediately joined the Basic DC Arrangement and the DC SERP. Prior to that, Mr. Walton participated in the DC pension arrangement for employees in the Eastern operations. Mr. Walton was appointed Chief Operating Officer effective May 21, 2020.

Mr. Jean-François Khalil was appointed Vice-President, Human Resources, effective August 14, 2017. Mr. Khalil immediately joined the Basic DC Arrangement and the DC SERP. Prior to that, Mr. Khalil participated in the DC pension arrangement for employees in the Eastern operations.

Mr. Jean-Sébastien Couillard was appointed Vice-President, Finance, CFO & Secretary, effective September 8, 2020. Mr. Couillard immediately joined the Basic DC Arrangement and the DC SERP.

Defined Contribution Plans

The following table illustrates, for each concerned named executive officer, the estimated accumulated value in the applicable DC arrangement and compensatory changes in the accumulated value from September 28, 2019 to October 3, 2020.

Named Executive Officer	Accumulated Value at Start of Year (\$)	Compensatory Change (\$)	Accumulated Value at Year End (\$)
John Holliday ⁽¹⁾	329,800	72,000	419,000
Jean-Sébastien Couillard ⁽¹⁾	0	2,300	2,300
Manon Lacroix ⁽¹⁾	222,700	35,600	269,300
Patrick Dionne ⁽¹⁾	89,700	35,600	107,600
Michael W. Walton ⁽¹⁾	393,400	43,400	479,100
Jean-François Khalil ⁽¹⁾	62,300	28,600	95,700

Note

⁽¹⁾ A portion of the notional SERP benefits will not be vested if employment terminates before the age of 60.

Employer contributions to non-registered savings accounts and Group RRSP accounts are not considered pension benefits.

Compensatory changes are employer contributions for the period from September 28, 2019 to October 3, 2020. Non compensatory changes, which are not shown, include employee contributions, benefit payments and interest credited during the period.

Termination and Change of Control Benefits

Lantic is party to employment agreements with each of its executives, providing for the conditions mentioned in the above section “Elements of the Executive Compensation Program”. Some of the employment agreements also contain provisions with regards to termination and change of control.

John Holliday’s Employment Agreement

On February 2, 2015, Lantic entered into an employment agreement (the “Holliday Employment Agreement”) with Mr. John Holliday, pursuant to which Mr. Holliday was appointed as President and CEO of Lantic. The Holliday Employment Agreement provides that if Mr. Holliday’s employment is terminated by Lantic without cause, Mr. Holliday is entitled to an amount equal to two times his annual base salary. In the event of a “change of control” of the Corporation and Lantic, Mr. Holliday may elect to terminate his employment relationship with Lantic within six (6) months from the date of the change of control, and in such an event, is entitled to receive an amount equal to two times his annual base salary. For the purposes of the Holliday Employment Agreement, “change of control” means the sale of more than 50% of the business, whether the sale occurs by acquisition of Common Shares or by asset purchases, provided that a change of control will not be triggered where the sale of Common Shares or assets takes place within the current organizational structure or current ownership group, affiliated companies, or principals for the purpose of internal reorganization.

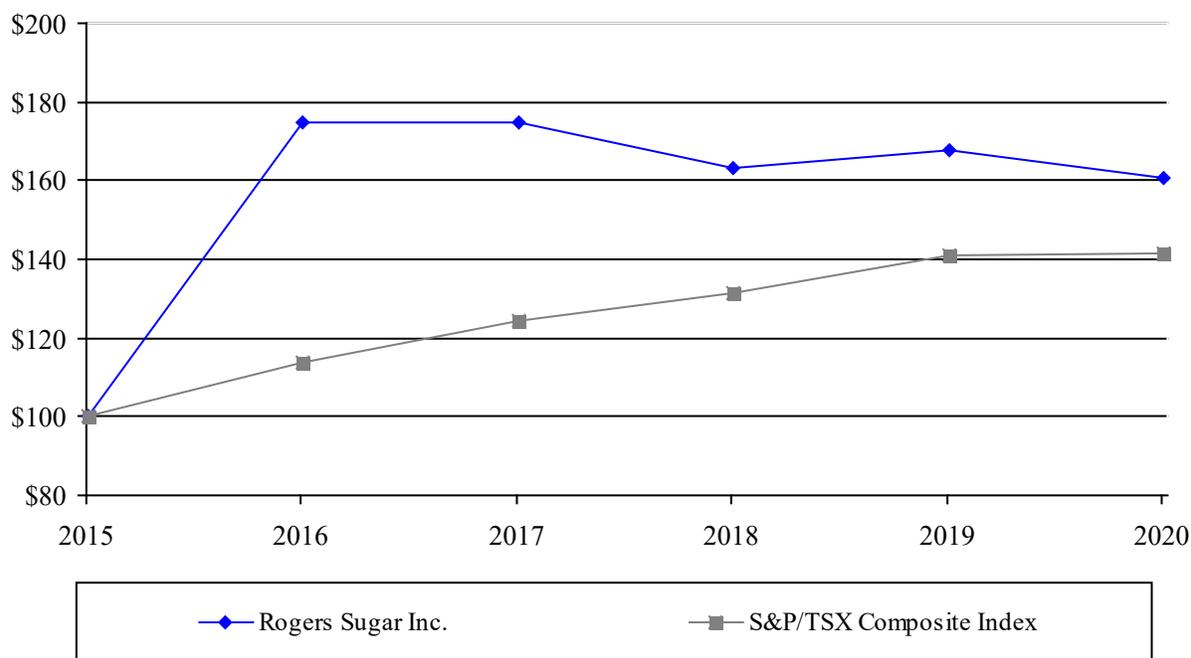
Named Executive Officer	Change of control Provisions Value ⁽¹⁾	Termination Provisions Value ⁽¹⁾
John Holliday	\$978,000	\$978,000

Note

⁽¹⁾ The values assume that the triggering event took place on the last business day of Lantic’s fiscal year-end (October 3, 2020).

Performance Graph

The following graph compares the total return for \$100 invested in Common Shares for the Corporation's last five most recently completed financial years with the total return of the S&P/TSX Composite Index, assuming reinvestment of dividends.



	2016	2017	2018	2019	2020
Rogers Sugar Inc. – Common Shares	\$174.69	\$174.69	\$163.08	\$167.79	\$160.56
S&P/TSX Composite Index	\$113.81	\$124.26	\$131.56	\$141.08	\$141.50

The data in the above performance graph shows that the Corporation's shareholder return has outperformed the total S&P/TSX Composite Index since 2016. Over the last 5 years, the performance of the Corporation was 13% higher than the performance of the S&P/TSX Composite Index. During that period, the level of total compensation for the named executive officers has reflected the performance of the organization, when excluding the fair value of the PSU award.

8. INDEBTEDNESS OF THE DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

None of the directors, executive officers, employees or former directors, executive officers or employees of the Corporation, Lantic or any of its subsidiaries, as applicable, the proposed nominees for election as Directors or directors of Lantic, or any of their associates, is, or has been at any time since the beginning of the fiscal year ended October 3, 2020, indebted (other than routine indebtedness) to the Corporation or any of its subsidiaries or any of their associates or affiliates, or has indebtedness (other than routine indebtedness) to another entity that is, or has been at any time since the beginning of the fiscal year ended October 3, 2020, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation, Lantic or any of its subsidiaries.

9. STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Directors and the members of the board of directors of Lantic are aware of their responsibility for corporate governance and recognize the importance of enhancing corporate governance practices at both the Corporation and Lantic levels. As part of the Corporation's commitment to effective corporate governance, the Board of Directors of the Corporation, with the assistance of its Nominating and Governance Committee, monitors changes in corporate governance practices and regulatory requirements.

Under National Instrument 58-101 – *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators ("NI 58-101"), the Corporation is required to disclose certain information relating to its corporate governance practices. This information is set out in Schedule A to this Information Circular.

The Corporation is created to hold securities, including the common shares and notes of Lantic. The Corporation's principal activity is to distribute to Shareholders earnings the Corporation receives from Lantic. Lantic is the leading refiner, processor, distributor and marketer of sugar products in Western Canada and is one of two refiners of sugar products in Eastern Canada. In addition to being an operating Corporation, Lantic also holds all of the issued and outstanding shares of The Maple Treat Corporation ("TMTC"), one of the world's largest branded and private label maple syrup bottling and distribution companies. The Corporation does not conduct any active business and the role of the Directors is primarily to act on behalf of the Corporation as shareholder and noteholder of Lantic and to manage the limited affairs of the Corporation. Arrangements have been made under a number of agreements for the governance of the Corporation and Lantic, management of Lantic and the administration of the affairs of the Corporation. These arrangements are discussed below and the governance practices of the Corporation and Lantic in relation to the disclosure requirements of NI 58-101, taking into account the particular structure of the Corporation and Lantic, are discussed in Schedule A to this Information Circular.

Governance Agreements

Under the terms of the Fund governance agreement (the "Fund Governance Agreement") dated March 8, 2002 between the Fund, Onex Corporation and Belkin Enterprises Ltd. ("Belkin Enterprises"), the Fund was required to nominate for election as trustees at each annual meeting of the Fund one nominee of Onex Corporation and one nominee of Belkin Enterprises, provided that they each beneficially own or exercise control or direction over, directly or indirectly, at least five percent (5%) of the outstanding units of the Fund. As a consequence of the closing of a secondary offering of units of the Fund on July 4, 2003, Onex Corporation's direct and indirect ownership of units of the Fund fell below five percent (5%) of the outstanding units of the Fund on a fully-diluted basis. As a result, the Fund was no longer obligated to nominate for election as a trustee at each annual meeting of the Fund one nominee of Onex Corporation. However, Belkin Enterprises continued to hold greater than five percent (5%) of the outstanding units on a fully-diluted basis and, therefore, the Fund continued to be obligated to nominate for appointment as a trustee at each annual meeting of the Fund one nominee of Belkin Enterprises. Following completion of the Arrangement and the subsequent termination of the Fund, the Fund Governance Agreement remained in full force and effect with the necessary adaptations, as applicable. Therefore, Belkin Enterprises (now Belkin Industries Inc.) continues to have the right to nominate one Director of the Corporation (the "Belkin Nominee") for election at the meeting of the Shareholders.

The Fund, Lantic and Lantic Capital Inc. ("Lantic Capital") entered into a corporate governance agreement (the "Governance Agreement") on June 30, 2008. Following completion of the Arrangement and the subsequent termination of the Fund, the Governance Agreement remained in full force and effect, with the necessary adaptations. Lantic Capital, as holder of two Class C shares of Lantic, is entitled to elect five (5) of seven (7) members of the board of directors of Lantic. The Corporation has the right to terminate Lantic Capital's right to elect a majority of the directors of Lantic if a take-over bid is made for all of the issued and outstanding Common Shares and, on completion thereof, the offeror thereunder holds more than sixty percent (60%) of the issued and outstanding Common Shares (a "Change of Control"). The Governance Agreement also terminates upon the earliest to occur of (i) the date on which Lantic Capital and its affiliates collectively beneficially own, directly or indirectly, or exercise control or direction over, less than five percent (5%) of the outstanding Common Shares (calculated on a fully-diluted basis), (ii) the date on which the agreement is terminated by agreement of the parties to that effect, and (iii) the date on which all of the obligations of the Corporation thereunder relating to certain restrictions on the ability of the Corporation to make changes to the articles of Lantic and the election of Lantic Capital's nominees to the board of directors of Lantic expire or terminate.

The Governance Agreement provides that the Corporation will not vote for any amendment to Lantic's articles or by-laws, including an amendment with respect to the number of directors of Lantic, without Lantic Capital's approval. The Governance Agreement will remain in force until the earlier of (i) the date when Lantic Capital beneficially owns, directly or indirectly, less than five percent (5%) of the fully diluted Common Shares, (ii) the date upon which the Governance Agreement is terminated by an agreement in writing, and (iii) the date upon which certain obligations of the Corporation, under the Governance Agreement, have expired.

The Governance Agreement also provides that, in the event that a *bona fide* take-over bid has been made for all of the issued and outstanding Common Shares and the Board of Directors of the Corporation has publicly recommended that Shareholders accept such take-over bid, the boards of directors of Lantic, Lantic Capital and the Corporation will consent to a reorganization of the Corporation and Lantic in the manner determined by the Corporation, including an amalgamation of the Corporation and Lantic, provided that (i) such reorganization has been approved, if required by law, by the requisite number of Shareholders of the Corporation; (ii) such reorganization is necessary and advisable, in the sole discretion of the Board of Directors of the Corporation, in order to avoid adverse tax consequences for the Corporation or the Shareholders; and (iii) such reorganization is effected in a manner in which it is certain that, immediately after the reorganization is effective, the offeror under the take-over bid will acquire more than 60% of the issued and outstanding Common Shares and any support agreement relating to the take-over bid contains a covenant to complete the reorganization and take-over bid in such a manner. Such reorganization will be made effective immediately prior to the taking-up and payment of Common Shares by the offeror under the take-over bid described above.

Administration Agreement

Pursuant to the Arrangement, the then existing administration agreement was terminated and replaced by a new Administration Agreement dated January 1, 2011 (the "Administration Agreement") and was subsequently amended on December 8, 2017. The Administration Agreement is on the same terms and conditions, whereby Lantic acts as Administrator of the Corporation. The Administrator provides or arranges for the provision of services required in the administration of the Corporation. These services include arranging and paying for annual audit and regulatory public reporting services and costs, arranging for, and paying the costs of, legal counsel, monitoring and coordinating the activities of and paying the fees of the transfer agent and registrar for the Common Shares, arranging for dividend payments to Shareholders, and providing reports to Shareholders. In consideration for its services, Lantic receives a fee of \$50,000 per annum plus reimbursement of certain out-of-pocket costs and expenses. The Administration Agreement is terminable on 180 days' notice, the insolvency or receivership of Lantic or default by Lantic in the performance of any material obligation which is not remedied within 30 days.

10. INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of the Directors, other than as disclosed herein, no informed person, Director or proposed nominee for election as a director of the Corporation or of Lantic, or any associate or affiliate of any such persons, had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any material transaction with the Corporation since September 28, 2019, or in any proposed transaction, which has materially affected or would materially affect the Corporation, Lantic or any of its subsidiaries.

11. MATTERS TO BE ACTED UPON AT THE MEETING

Election of Directors

The number of Directors to be elected at the Meeting is determined from time to time by resolution of the Directors, such number being not more than seven and not less than three. The Directors have fixed the number of Directors to be elected at the Meeting at six, which comprises of five men and one woman. All Directors elected at the Meeting will hold office until the next annual meeting of Shareholders or until their successors are duly elected or appointed.

Majority Voting Policy

On November 14, 2013, and as revised on May 4, 2016 and December 8, 2017, the Board of Directors of the Corporation unanimously adopted a majority voting policy (the "Majority Voting Policy") to the effect that, in an uncontested election of Directors, other than the Belkin Nominee pursuant to the Governance Agreement (See

“Statement of Corporate Governance Practices – Governance Agreements”), if the number of Common Shares withheld exceeds the number of Common Shares voted in favour of the nominee (a “Majority Withheld Vote”), then the person who has received a Majority Withheld Vote is expected immediately to submit to the Board of Directors of the Corporation his or her resignation, to take effect upon acceptance by the Board of Directors of the Corporation. The Board of Directors of the Corporation will refer the matter to the Nominating and Governance Committee of the Board of Directors of the Corporation for its recommendation as to whether to accept such offer of resignation.

The Board of Directors of the Corporation will have 90 days from the Meeting to make and publicly disclose its decision. The Board of Directors of the Corporation shall accept a resignation absent exceptional circumstances. If the Board of Directors of the Corporation determines not to accept a resignation, the news release in respect thereof must fully state the reasons for that decision and must be filed with the TSX. A Director who tenders a resignation pursuant to the Majority Voting Policy will not participate in any meeting of the Board of Directors of the Corporation or the Nominating and Governance Committee at which the resignation is considered, provided that if the Directors who received a majority of votes in favour of their election do not constitute a quorum for a meeting of the Board of Directors of the Corporation or the Nominating and Governance Committee, then all Directors may attend such meeting for quorum purpose provided, however, that a Director who is tendering a resignation pursuant to the Majority Voting Policy may not participate in the determination of whether or not to accept the resignation offer.

If the Board of Directors of the Corporation decides to accept the Director’s resignation, subject to any corporate law restrictions, the Board of Directors of the Corporation may leave the resultant vacancy unfilled until the next annual meeting of Shareholders. Alternatively, it may fill the vacancy through the appointment of a new Director or it may call a special meeting of Shareholders at which there will be presented management nominees to fill the vacant position or positions.

The Majority Voting Policy does not apply in any case where the election is contested — i.e., where proxy material is circulated in support of one or more nominees who are not part of the list of nominees supported by the Board of Directors of the Corporation.

Director Nominees

The Corporation proposes to nominate for election as Directors at the Meeting each of the persons named in the following table (including the Belkin Nominee — See “Statement of Corporate Governance Practices — Governance Agreements”). All proposed nominees have consented to be named in this Information Circular and to serve as Directors if elected. The Corporation has no reason to believe that any proposed nominee will be unable to serve as a Director, but should any such nominee become unable to do so for any reason prior to the Meeting, the persons named in the enclosed form of proxy, unless directed to withhold from voting, reserve the right to vote for other nominees in their discretion.

The following table sets forth the name and principal occupation, business or employment for each proposed nominee for election as Director. In addition, the table shows the province and country of residence, period(s) during which each proposed nominee served as a Director or trustee of the Fund, and the number of Common Shares that each proposed nominee beneficially owns, or over which he exercises control or direction, directly or indirectly. The information as to principal occupation, business or employment and Common Shares held is not within the knowledge of the Corporation and has been furnished by the respective nominees.

Name and Place of Residence	Period as Director of the Corporation or Trustee of the Fund	Principal Occupation	Common Shares Beneficially Owned or Over Which Control or Direction Is Exercised
M. DALLAS H. ROSS ⁽¹⁾⁽²⁾ British Columbia, Canada	Since September 15, 1997	Partner, Kinetic Capital Limited Partnership, a private investment partnership	110,858
DEAN BERGMAME ⁽¹⁾⁽²⁾⁽³⁾ Québec, Canada	Since April 27, 2009	Corporate Director	54,291
GARY M. COLLINS ⁽³⁾⁽⁴⁾ British Columbia, Canada	Since February 1, 2017	Senior Advisor, Lazard Group	264
DANIEL LAFRANCE ⁽¹⁾⁽³⁾ Québec, Canada	Since February 1, 2017	Corporate Director	56,687
WILLIAM MASLECHKO ⁽¹⁾⁽²⁾ Alberta, Canada	Since May 3, 2006	Partner, Burnett, Duckworth & Palmer LLP, a law firm	40,515
STEPHANIE WILKES ⁽¹⁾ New Jersey, United States	Since January 31, 2018	Founder, Wilkes Coaching and Consulting	10,405

Notes

- (1) Nominee of the Corporation.
- (2) Member of the Nominating and Governance Committee.
- (3) Member of the Audit Committee.
- (4) Belkin Nominee.

Messrs. Lafrance and Ross will also serve as the nominees of the Corporation on the board of directors of Lantic.

Each of the foregoing persons has held the same principal occupation, business or employment for the previous five years, except for Mrs. Wilkes who prior to January 2017 was President of Global Gum and Candy for Mondelez International from October 2014 to January 2017 and prior to October 2014 was President NA Confections for Mondelez International from August 2011 to October 2014.

Skills Matrix

The following table identifies the competencies of each nominee proposed for election as a Director of the Corporation, together with their gender, age range and tenure at the Corporation.

	M. DALLAS H. ROSS	WILLIAM MASLECHKO	DEAN BERGMAME	DANIEL LAFRANCE	GARY M. COLLINS	STEPHANIE WILKES
DIRECTORS BACKGROUND AND EXPERIENCE						
<i>Food Products</i>	-	-	√	√	-	√
<i>Commodity Related Business</i>	√	√	√	√	√	-
<i>Retail Industry</i>	-	-	-	√	-	√
<i>Manufacturing Sector</i>	√	-	√	√	-	√
<i>Finance / Accounting</i>	√	-	√	√	√	-
<i>Corporate Finance</i>	√	√	√	√	√	-
<i>Current (Previous) CEO</i>	-	-	-	-	√	√
<i>Marketing / Sales</i>	-	-	-	-	√	√

	M. DALLAS H. ROSS	WILLIAM MASLECHKO	DEAN BERGMAME	DANIEL LAFRANCE	GARY M. COLLINS	STEPHANIE WILKES
<i>Environmental, Social & Governance (“ESG”)</i>	-	√	√	√	√	-
<i>Public Sector Experience</i>	-	-	-	-	√	-
<i>International Experience</i>	√	-	√	√	√	√
<i>Other Public Board Experience</i>	√	√	-	√	√	√
<i>Legal Experience</i>	-	√	-	-	-	-
CHARACTERISTICS						
<i>Independent</i>	√	√	√	√	√	√
<i>Understands demands and expectations of the Corporation</i>	√	√	√	√	√	√
<i>Orientation Program done by the Corporation</i>	√	√	√	√	√	√
<i>DOB / Age / Retirement Date</i>	09-09-1956 64 2031	10-01-1960 60 2035	12-22-1955 64 2030	07-07-1954 66 2029	08-22-1963 57 2038	05-01-1969 51 2044
<i>Region</i>	BC	AB	QC	QC	BC	NJ
<i>Gender</i>	M	M	M	M	M	F
<i>Participation in other Public Boards (#)</i>	3	1	-	1	2	-

The skills matrix outlines the desired complement of qualifications, attributes, skills and experience that are important to and necessary for the proper functioning of the Directors. The matrix includes industry specific experience and expertise, such as retail and food products, corporate finance, financial/accounting, marketing and sales, public sector experience as well as board and governance experience. These areas of expertise are expected to supplement and interact with general qualifications and attributes sought in all Directors and nominees, such as personal and professional ethics, integrity, practical wisdom, sound business judgment, and a willingness and desire to both devote the necessary time and represent the best interests of Lantic. The skills matrix will be reviewed annually by the Nominating and Governance Committee to ensure it continues to reflect the current needs of the Corporation, the Corporation’s strategic priorities and that the Directors have an appropriate balance and complementarity of skills.

The Directors unanimously recommend that Shareholders vote in favour of the election of each of the proposed nominees as Directors of the Corporation.

Election of Directors of Lantic

Lantic has a board of directors consisting of up to seven members, two of whom are currently nominated by the Corporation as holder of all of the common shares of Lantic. Pursuant to the terms of the Governance Agreement and the terms of the Class C shares of Lantic, Lantic Capital, as holder of these shares, is entitled to nominate five directors to the board of directors of Lantic.

Lantic Majority Voting Policy

On December 8, 2017, and as revised on November 21, 2018, the Board of Directors of the Corporation adopted a majority voting policy for the nominees of the Corporation to the board of directors of Lantic (the “Lantic Majority Voting Policy”).

At each annual general meeting of the Shareholders of the Corporation (“Shareholders”), the Corporation will seek the direction of the Shareholders with respect to the appointment of the nominees of the Corporation to the board of directors of Lantic by submitting the proposed nominees of the Corporation to a vote of the Shareholders. Forms

of proxy for the vote in respect of the nominees of the Corporation will enable the Shareholders to vote in favour of, or to withhold from voting, separately for each of the nominees of the Corporation. At the Meeting, the Chair will call for a vote by ballot and the scrutineers will record with respect to each of the nominees of the Corporation the number of Common Shares in his or her favour and the number of Common Shares withheld from voting.

If, with respect to any particular nominee of the Corporation, the number of Common Shares withheld exceeds the number of Common Shares voted in favour of the nominee of the Corporation (a “Lantic Majority Withheld Vote”), then, the Board of Directors of the Corporation will ask the Nominating and Governance Committee of the Corporation to consider and recommend to the Board of Directors of the Corporation whether or not to appoint the person who has received a Lantic Majority Withheld Vote to the board of directors of Lantic.

The Board of Directors of the Corporation will have 90 days from the meeting to make and publicly disclose its decision. The Board of Directors of Corporation shall not appoint a person who has received a Lantic Majority Withheld Vote absent exceptional circumstances, which may include but are not limited to, the Corporation or Lantic no longer being compliant with corporate or securities law requirements, applicable regulations or commercial agreements regarding the composition of the board of directors of Lantic as a result of the failure to appoint such person to the board of directors of Lantic. However, such person’s length of service, qualifications, attendance at meetings, experience, contributions to the Corporation or Lantic or any reoccurring events are not to be considered as exceptional circumstances. If the Board of Directors of the Corporation determines to appoint such person to the board of directors of Lantic, the news release in respect thereof must fully state the reasons for that decision and must be filed with the TSX, and the Board of Directors of the Corporation shall subsequently take active steps to resolve the exceptional circumstances for the following year.

A nominee of the Corporation to the board of directors of Lantic who has received a Lantic Majority Withheld Vote pursuant to the Lantic Majority Voting Policy will not participate in any meeting of the Board of Directors of the Corporation or the Nominating and Governance Committee at which the appointment of such person to the board of directors of Lantic is considered, provided that if required in order to constitute a quorum for a meeting of the Board of Directors of the Corporation or the Nominating and Governance Committee, such person may attend such meeting for quorum purposes but may not speak or otherwise participate in any part of the meeting where his or her appointment is discussed or considered or a related resolution is voted upon.

If the Board of Directors of the Corporation decides to not appoint a person who has received a Lantic Majority Withheld Vote to the board of directors of Lantic, subject to any corporate law restrictions, the Board of Directors of the Corporation may leave the resultant vacancy unfilled until the next annual general meeting of Shareholders. Alternatively, it may fill the vacancy through the appointment of a new director or it may call a special meeting of Shareholders at which there will be presented a nominee or nominees to fill the vacant position or positions.

The Lantic Majority Voting Policy does not apply in any case where the election is contested — i.e., where proxy material is circulated in support of one or more nominees of the Corporation who are not part of the list of the nominees of the Corporation supported by the Board of Directors of the Corporation.

Nothing in the Lantic Majority Voting Policy shall in any way affect or limit as between the Corporation, Lantic and Lantic Capital the rights of the Corporation as the holder of the common shares of Lantic or as a party to the Governance Agreement.

Lantic Director Nominees

The following persons are the proposed nominees of each of the Corporation and Lantic Capital for election as directors of Lantic to serve until the next annual meeting of Shareholders of the Corporation or until their successors are duly elected or appointed. If any vacancies occur in the slate of the nominees of the Corporation because any nominee is unable to serve or will not serve, discretionary authority conferred by the proxies appointing the nominees of the Corporation will be exercised to grant approval to the Directors to vote for the election of any other person or persons nominated by the Directors.

The following table sets forth the name, province and country of residence and principal occupation, business or employment for each proposed nominee for election as a director of Lantic (including Lantic Capital’s nominees). In addition, the table shows the period(s) during which each proposed nominee served as a director of Lantic and the number of Common Shares that each proposed nominee beneficially owns, or over which he exercises control or

direction, directly or indirectly. The information as to Common Shares held is not within the knowledge of the Corporation and has been furnished by the respective nominees.

Name and Place of Residence	Period as Director	Position with Lantic	Principal Occupation	Common Shares Beneficially Owned or Over Which Control or Direction is Exercised
M. DALLAS H. ROSS ⁽¹⁾ British Columbia, Canada	Since October 1997	Director	Partner, Kinetic Capital Limited Partnership, a private investment partnership	110,858
GARY M. COLLINS ⁽²⁾⁽³⁾ British Columbia, Canada	Since February 1, 2017	Director	Senior Advisor, Lazard Group	264
MICHAEL A. HESKIN ⁽²⁾⁽³⁾ British Columbia, Canada	Since August 2003	Director	Vice-President of Finance and Chief Financial Officer, Belkorp Industries Inc., an investment holding corporation	55,869
JOHN HOLLIDAY ⁽³⁾ Québec, Canada	Since May 2015	Director	President and CEO, Lantic	96,713
DONALD G. JEWELL ⁽³⁾ British Columbia, Canada	Since August 2003	Director	Managing Partner, RIO Industrial, a financial management services partnership	253,688
DANIEL LAFRANCE ⁽¹⁾⁽²⁾ Québec, Canada	Since January 2013	Director	Corporate Director	56,687

Notes

- (1) Nominee of the Corporation.
- (2) Member of the Audit Committee of Lantic.
- (3) Nominee of Lantic Capital.

All of the directors of Lantic are a member of the HRCC, except for Mr. Holliday.

Each of the foregoing persons has held the same principal occupation, business or employment for the previous five years.

Lantic Skills Matrix

The following table identifies the competencies of each nominee proposed for election as a director of Lantic, together with their gender, age range and tenure at Lantic.

	M. DALLAS H. ROSS	DANIEL LAFRANCE	GARY M. COLLINS	JOHN HOLLIDAY	MICHAEL A. HESKIN	DONALD G. JEWELL
DIRECTORS BACKGROUND AND EXPERIENCE						
<i>Food Products</i>	-	√	-	√	√	-
<i>Commodity Related Business</i>	√	√	√	√	√	-
<i>Retail Industry</i>	-	√	-	√	-	√
<i>Manufacturing Sector</i>	√	√	-	√	√	√
<i>Finance / Accounting</i>	√	√	√	-	√	√
<i>Corporate Finance</i>	√	√	√	-	√	√
<i>Current (Previous) CEO</i>	-	-	√	√	-	√

	M. DALLAS H. ROSS	DANIEL LAFRANCE	GARY M. COLLINS	JOHN HOLLIDAY	MICHAEL A. HESKIN	DONALD G. JEWELL
<i>Marketing / Sales</i>	-	-	√	-	-	√
<i>Environmental, Social & Governance (“ESG”)</i>	-	√	√	-	-	-
<i>Public Sector Experience</i>	-	-	√	-	-	-
<i>International Experience</i>	√	√	√	√	-	√
<i>Other Public Board Experience</i>	√	√	√	-	-	√
<i>Legal Experience</i>	-	-	-	-	-	-
CHARACTERISTICS						
<i>Independent</i>	√	√	√	-	-	-
<i>Understands demands and expectations of the Corporation</i>	√	√	√	√	√	√
<i>Orientation Program done by the Corporation</i>	√	√	√	√	√	√
<i>DOB / Age / Retirement Date</i>	09-09-1956 64 2031	07-07-1954 66 2029	08-22-1963 57 2038	04-19-1960 60 2035	06-04-1964 56 2039	12-11-1953 66 2028
<i>Region</i>	BC	QC	BC	QC	BC	BC
<i>Gender</i>	M	M	M	M	M	M
<i>Participation in other Public Boards (#)</i>	3	1	2	-	-	-

The skills matrix outlines the desired complement of qualifications, attributes, skills and experience that are important to and necessary for the proper functioning of the directors of Lantic. The matrix includes industry specific experience and expertise, such as retail and food products, corporate finance, financial/accounting, marketing and sales, public sector experience as well as board and governance experience. These areas of expertise are expected to supplement and interact with general qualifications and attributes sought in all directors and nominees, such as personal and professional ethics, integrity, practical wisdom, sound business judgment, and a willingness and desire to both devote the necessary time and represent the best interests of the Corporation. The skills matrix will be reviewed annually by the Nominating and Governance Committee of the Corporation to ensure it continues to reflect the current needs of Lantic, Lantic’s strategic priorities and that the directors of Lantic have an appropriate balance and complementarity of skills.

The Directors unanimously recommend that Shareholders vote in favour of the election of each of the proposed nominees of the Corporation for election as directors of Lantic.

To the knowledge of the Directors, other than as set forth below, no proposed Director of the Corporation or proposed director of Lantic:

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, CEO or CFO of any company, that:
 - (i) was the subject of 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 issued while that person was acting in that capacity, and that was in effect for a period of more than 30 consecutive days; or
 - (ii) 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 issued after that person

ceased to be acting in that capacity and which resulted from an event that occurred while that person was acting in that capacity, and that was in effect for a period of more than 30 consecutive days; or

- (b) is, at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of the 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; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets.

Mr. Ross was asked to join the board of directors of Catalyst Paper Corporation in May 2010 to assist in the possible restructuring of the organization. Catalyst Paper Corporation subsequently filed for protection under the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") in January 2012, reorganized its financial affairs significantly over a number of months and then successfully emerged from the CCAA in September 2012, at which time a new board of directors representing the post recapitalization stakeholders was appointed.

Mr. Ross was asked to join the board of directors of Just Energy Group Inc. ("Just Energy") in June 2017. On July 8, 2020, Just Energy announced a plan of arrangement under the CBCA which included, among other things, certain arrangements with its creditors and the reconstitution of its board of directors. The CBCA plan of arrangement was successfully completed in September 2020 and a new seven person board of directors was appointed, of which Mr. Ross remained as one of two continuing directors.

To the knowledge of the Directors, no proposed Director or proposed director of Lantic has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed Director or proposed director of Lantic.

Financial Statements

The audited consolidated financial statements of the Corporation for the financial year ended October 3, 2020, together with the auditor's report thereon and the notes thereto, are contained in the Corporation's 2020 Annual Report to Shareholders which is being mailed to the Shareholders with this Information Circular and is available under the Corporation's profile on SEDAR at **Erreur ! Référence de lien hypertexte non valide.**

Appointment of Auditor of the Corporation

Unless otherwise directed, the person named in the form of proxy solicited by the Directors and the Directors will vote the Common Shares represented by the proxy for the appointment of KPMG LLP, Chartered Professional Accountants, as auditor of the Corporation, to hold office until the next annual meeting of Shareholders at a remuneration to be fixed by the Audit Committee of the Corporation. KPMG LLP has been the auditor of the Fund since its inception on September 15, 1997 and of the Corporation since the conversion was completed on January 1, 2011.

Audit Committee Information

Reference is made to the Annual Information Form of the Corporation for the financial year ended October 3, 2020 for a disclosure of information relating to the Audit Committee of the Corporation.

Ratification of By-Laws Amendment

The Board of Directors has resolved to amend the Corporation's by-laws to allow the Corporation to hold annual meetings entirely by telephonic, electronic or other communication facility. The proposed changes are reflected in Schedule C to this Circular, which contains selected extracts of the Corporation's by-laws showing all amendments thereto. At the Meeting, the Shareholders will be asked to review and, if deemed appropriate, to adopt the following resolution:

“BE IT RESOLVED:

THAT the amendments to By-Law No. 1 of the Corporation, as set forth in Schedule C to the Corporation's Management Proxy Circular dated December 18, 2020, which contains selected extracts of By-Law No. 1 of the Corporation showing all amendments thereto, be and are hereby ratified, confirmed and approved;

THAT any Director or officer of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation, to do all acts and things, as such Director or officer may determine necessary or advisable to give effect to this resolution.”

Management and the Board of Directors recommend that the Shareholders vote in favour of the approval of this resolution. Unless contrary instructions are indicated on the form of proxy or the voting instruction form, the persons designated in the form of proxy or voting instruction form intend to vote for this resolution.

Ratification of Amended and Restated Share Option Plan

The Board of Directors has resolved to adopt the Amended and Restated Share Option Plan, which amends the Corporation's Share Option Plan to, *inter alia*, increase the amount of Common Shares reserved for issuance thereunder from 4,000,000 to 6,000,000, add certain restrictions to the participation of Non-Employee Directors and extend the vesting and exercise period for certain optionees following their retirement to two (2) years, as further detailed at section “Share Based Compensation – Share Option Plan” above. The full text of the Amended and Restated Share Option Plan is available at Exhibit A to Schedule D hereto.

At the Meeting, the Shareholders will be asked to review and, if deemed appropriate, to adopt, with or without amendment, the resolution set forth in Schedule D approving, ratifying and confirming the Amended and Restated Share Option Plan. The Amended and Restated Share Option Plan will become effective only at the time of the ratification and confirmation of same at the Meeting. Previously granted options will continue, unaffected, whether or not this resolution is approved by shareholders.

Particulars of Other Matters to Be Acted Upon

The Directors know of no matters to come before the Meeting other than those referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

12. SHAREHOLDER PROPOSALS

Shareholders who wish to submit a proposal for consideration at the next annual meeting of Shareholders must do so by submitting same to the attention of the Secretary of the Corporation on or before September 18, 2021 in the manner and subject to the limitations prescribed by the *Canada Business Corporations Act*.

13. ADDITIONAL INFORMATION

Financial information is provided in the Corporation's audited consolidated financial statements and Management's Discussion and Analysis for its most recent financial year ended October 3, 2020. Copies of these documents and additional information relating to the Corporation are available under the Corporation's profile on SEDAR at www.sedar.com.

Upon written request, a copy of the Corporation's audited consolidated financial statements contained in the Corporation's 2020 Annual Report for the period ended October 3, 2020, together with the auditor's report thereon

and the notes thereto, and a copy of this Information Circular, the Corporation's Annual Information Form for the fiscal year ended October 3, 2020, will be provided to any person.

Requests for any such documents should be made to the Secretary of Lantic at 4026 Notre-Dame East, Montréal, Québec, H1W 2K3 (telephone: (514) 940-4350).

14. APPROVAL OF DIRECTORS

The contents of this Information Circular and the sending, communication or delivery thereof to the Shareholders have been approved and authorized by the Directors of the Corporation.

DATED at Montréal, Québec, this 18th day of December 2020.

**BY ORDER OF THE DIRECTORS OF
ROGERS SUGAR INC.**

(signed) M. Dallas H. Ross

M. Dallas H. Ross, Chairman of the Board of Directors of
Rogers Sugar Inc., on behalf of the
Directors of Rogers Sugar Inc.

SCHEDULE A

ROGERS SUGAR INC. CORPORATE GOVERNANCE DISCLOSURE

The corporate governance practices of the Corporation must be considered in the context of the overall structure of the Corporation. The Corporation holds common shares and notes of Lantic. The Board of Directors of the Corporation (the “Board”) is responsible for supervising the limited activities and affairs of the Corporation, which activities include representing the Corporation as a shareholder of Lantic. Lantic is the Administrator for the Corporation, and as such, is responsible for most of the management and administrative matters of the Corporation. The board of directors of Lantic is responsible for managing the business and affairs of Lantic. The Corporation has the right to elect two members of the board of directors of Lantic, which is comprised of up to seven members. Lantic Capital has the voting power to elect up to five members of the board of directors of Lantic. Arrangements have been made under a number of agreements for the governance of the Corporation and Lantic, and the administration of the affairs of the Corporation. These arrangements are discussed in the Information Circular under the heading “Statement of Corporate Governance Practices”. The governance practices of the Corporation and Lantic in relation to the disclosure requirements of NI 58-101, taking into account the particular structure of the Corporation and Lantic, are set out below.

<u>Governance Disclosure Requirements under NI 58-101</u>	<u>Governance Procedures</u>
--	-------------------------------------

1. Board of Directors

- | | |
|--|--|
| (a) Disclose the identity of the Directors who are independent. | The Board has determined that all the Directors are “independent”, within the meaning of NI 58-101.

Messrs. Ross and Lafrance are also the Corporation’s representatives on the board of directors of Lantic. |
| (b) Disclose the identity of Directors who are not independent, and describe the basis for that determination. | Not applicable. |
| (c) Disclose whether or not a majority of Directors are independent. If a majority of Directors are not independent, describe what the Board does to facilitate its exercise of independent judgment in carrying out its responsibilities. | The Board has determined that all of the Directors are “independent”, within the meaning of NI 58-101. All of the nominees for election at the Meeting are “independent”.

The Corporation has adopted governance guidelines consistent with National Policy 58-201 – <i>Corporate Governance Guidelines</i> of the Canadian Securities Administrators, which provide, among other things, that at all times, a majority of the Directors must be independent. Furthermore, no employee of the Administrator may be a Director except in the case of the nominee of Belkin Industries Inc. pursuant to the Governance Agreement (See “Statement of Corporate Governance Practices — Governance Agreements”). |
| (d) If a Director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify the Director and the other issuer. | The following Directors currently serve on the board of the reporting issuers (or equivalent) listed below: ⁽¹⁾
M. Dallas H. Ross:
Westshore Terminals Investment Corporation
Just Energy Group Inc.
Canfor Corporation

Gary M. Collins (the Belkin Nominee):
Chorus Aviation Inc.
Fiera Capital Corporation |

Governance Disclosure Requirements under NI 58-101 **Governance Procedures**

Daniel Lafrance:
Innergex Renewable Energy Inc.

William Maslechko:
Ag Growth International Inc.

(1) Unless otherwise indicated, all issuers mentioned above are reporting issuers in one or more Canadian jurisdictions.

(e) Disclose whether or not the independent Directors hold regularly scheduled meetings at which members of management are not in attendance. If the independent Directors hold such meetings, disclose the number of meetings held during the preceding 12 months. If the independent Directors do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent Directors.

The Board has determined that appropriate *in camera* sessions of the Directors will be held in conjunction with every regular meeting of the Board. The independent members of the Board have an opportunity to meet at least annually during which the members of the Board who are not independent and management of the Administrator are not in attendance.

During the financial year ended October 3, 2020, there were four regular meetings of the independent Directors.

The independent members of the Board are authorized to retain independent financial, legal and other experts as required whenever, in their opinion, matters come before the Board which require an independent analysis by the independent members of the Board.

The Board, the Audit Committee and the Nominating and Governance Committee of the Board are composed entirely of independent Directors.

(f) Disclose whether or not the chair of the board is an independent Director. If the board has a chair or lead Director who is an independent Director, disclose the identity of the independent chair or lead Director, and describe his or her role and responsibilities. If the Board has neither a chair that is independent nor a lead Director that is independent, describe what the Board does to provide leadership for its independent Directors.

The chair of the Board (the “Chair”) is an independent Director.

The role and responsibilities of the Chair include the following:

- managing the affairs of the Board;
- chairing Board meetings and establishing their frequency;
- ensuring the Board is organized properly, functions effectively and meets its obligations and responsibilities;
- leading the Board in monitoring and reviewing the Corporation’s investments in Lantic and monitoring the compliance of Lantic with the Governance Agreement;
- maintaining, in conjunction with the Corporation Nominees on the board of directors of Lantic, ongoing communications with the senior management and board of directors of Lantic in the Corporation’s capacity as an investor in those companies; and
- working with the Administrator and the President and CEO of the Administrator to ensure that the Administrator effectively performs its duties towards the Corporation and to ensure effective relations with Board members, Shareholders, other stakeholders and the public.

(g) Disclose the attendance record of each Director for all Board meetings held since the

The attendance record of each Director for all board meetings held since the beginning of the financial year ended October 3, 2020 is

Governance Disclosure Requirements under NI 58-101

beginning of the issuer's most recently completed financial year.

2. Mandate of the Board

Disclose the text of the Board's written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.

3. Position Descriptions

(a) Disclose whether or not the Board has developed written position descriptions for the chair and the chair of each Board committee. If the Board has not developed written position descriptions for the chair and/or the chair of each Board committee, briefly describe how the board delineates the role and responsibilities of each such position.

(b) Disclose whether or not the Board and CEO have developed a written position description for the CEO. If the Board and CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the CEO.

4. Orientation and Continuing Education

(a) Briefly describe what measures the Board takes to orient new Directors regarding (i) the role of the Board, its committees and its Directors, and (ii) the nature and operation of the issuer's business.

Governance Procedures

set out in this Information Circular under the heading "Executive and Other Compensation — Attendance Record for Board Meetings".

The Board has responsibility for the stewardship of the Corporation and has adopted a formal mandate setting out the Board's stewardship responsibilities, including the Board's responsibilities with respect to oversight as an investor in the Corporation's investments, management of the Board, monitoring of the Corporation's financial performance, financial reporting, financial risk management and oversight of policies and procedures, communications and reporting and compliance.

The text of the Board's mandate is attached as Schedule B to this Information Circular.

The Board has developed written position descriptions for the Chair and the chair of each of the Nominating and Governance Committee and the Audit Committee of the Board. The primary role of the chair of each such committee is managing the affairs of the committee, including ensuring the committee is organized properly, functions effectively and meets its obligations and responsibilities.

The chair of the Audit Committee also maintains on-going communications with the Administrator and the Corporation's external auditors in order to lead the committee in performing its oversight and other audit-related functions. For further information regarding the Corporation's Audit Committee, including the relevant education and experience of the committee members, see the Corporation's Annual Information Form for the financial year ended October 3, 2020.

The Corporation does not conduct any active business nor does it have any full time employees. The Corporation is managed by the Administrator. The corporate objectives of the CEO of Lantic are reviewed and approved by the board of directors of Lantic. Two of the Directors of the Corporation are elected to the board of directors of Lantic. A formal written position description has been developed for the CEO of Lantic. The role and responsibilities of the CEO of Lantic are delineated by the chair of the board of directors of Lantic, in conjunction with the Human Resources and Compensation Committee of Lantic (the "HRCC").

The Nominating and Governance Committee is mandated as may be required from time to time to oversee an orientation and education program for new Directors and ongoing educational opportunities for all Directors.

The objectives of such programs are to ensure that new Directors fully understand the role of the Board and its committees, as well as the contribution individual Directors are expected to make

Governance Disclosure Requirements under NI 58-101 **Governance Procedures**

- (b) Briefly describe what measures, if any, the Board takes to provide continuing education for its Directors. If the Board does not provide continuing education, describe how the Board ensures that its Directors maintain the skill and knowledge necessary to meet their obligations as Directors.

(including, in particular, the commitment of time and resources that the Corporation expects from its Directors) and understand the nature and operation of the Corporation's affairs.

Continuing education opportunities are directed at enabling individual Directors to maintain or enhance their skills and abilities as Directors, as well as ensuring that their knowledge and understanding of the Corporation's affairs remains current.

All new Directors are provided with a baseline of knowledge about the Corporation, Lantic and its subsidiaries which serves as a basis for informed decision-making. This includes a combination of written material, one-on-one meetings with senior management of Lantic, site visits and other briefings and training, as appropriate.

5. Ethical Business Conduct

- (a) Disclose whether or not the Board has adopted a written code for the Directors, officers and employees. If the Board has adopted a written code:

The Board has adopted and amended a Code of Business Conduct for the Corporation (the "Code"). The Code has been filed on and is accessible under the Corporation's profile on SEDAR at www.sedar.com. A copy of the Code may also be obtained, upon request, from the Secretary of Lantic at 4026 Notre-Dame East, Montréal, Québec, H1W 2K3 (telephone: (514) 940-4350).

- (i) disclose how a person or company may obtain a copy of the code;
- (ii) describe how the Board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code; and
- (iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.

The Board expects directors and employees of Lantic and its subsidiaries to act ethically at all times and to acknowledge their adherence to the policies comprising the Code. Any material issues regarding compliance with the Code are brought forward by management at either the Board or committee meetings, or are referred to senior executive officers of Lantic, as may be appropriate in the circumstances. The Board and/or appropriate committee or senior executive officers determine what remedial steps, if any, are required. Any waivers from the Code that are granted for the benefit of a Director or an employee may be granted only by the Board. The Board has not granted any such waivers since the beginning of the financial year ended October 3, 2020.

- (b) Describe any steps the Board takes to ensure Directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Each Director must disclose all actual or potential conflicts of interest and refrain from voting on matters in which such Director has a conflict of interest. In addition, the Director must excuse himself or herself from any discussion or decision on any matter in which the Director is precluded from voting as a result of a conflict of interest.

- (c) Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.

The Board has reviewed and approved a Disclosure Policy for the Corporation, in order to promote consistent disclosure practices aimed at informative, timely and broadly disseminated disclosure of material information to the market, in accordance with applicable securities legislation.

The Audit Committee of the Board has also reviewed and approved a Whistleblower Policy, to promote, among other things, the

Governance Disclosure Requirements under NI 58-101

Governance Procedures

disclosure and reporting of any serious weaknesses which may affect the financial stability and assets of the Corporation and Lantic.

6. Nomination of Directors

- (a) Describe the process by which the Board identifies new candidates for board nomination.
- (b) Disclose whether or not the Board has a nominating committee composed entirely of independent Directors. If the Board does not have a nominating committee composed entirely of independent Directors, describe what steps the Board takes to encourage an objective nomination process.
- (c) If the Board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.

The Board has established a Nominating and Governance Committee, which is composed of Messrs. Bergmame, Maslechko and Ross, all of whom are independent. The responsibilities, powers and operation of the Nominating and Governance Committee are set out in the Nominating and Governance Committee Charter.

As described in its charter, the Nominating and Governance Committee is mandated to review annually the competencies, skills and personal qualities applicable to candidates to be considered for nomination to the Board, other than the Director nominated by Belkin Industries Inc. pursuant to the Governance Agreement. The objective of this review is to maintain the composition of the Board in a way that provides, in the judgment of the Board, the best mix of competencies, skills and experience to provide for the overall stewardship of the Corporation.

The Nominating and Governance Committee is also mandated to recruit and consider Director candidates and to make recommendations to the Board.

In so doing, the Nominating and Governance Committee considers, in addition to any other factors it deems relevant: (i) the competencies and skills that the Board considers to be necessary for the Board, as a whole to possess; (ii) the competencies and skills that the Board considers each existing Director to possess; and (iii) the competencies and skills each nominee will bring to the Board. Directors are encouraged to identify potential candidates. In addition, the Nominating and Governance Committee may engage the services of a specialized recruitment firm. The Chair of the Board is consulted and has input into the process. An invitation to stand as a nominee for election to the Board will normally be made to a candidate by the Board through the Chair or the Chair's delegate.

7. Compensation

- (a) Describe the process by which the Board determines the compensation for the issuer's Directors and officers.
- (b) Disclose whether or not the Board has a compensation committee composed entirely of independent Directors. If the Board does not have a compensation committee composed entirely of independent Directors, describe what steps the Board takes to ensure

The Board has determined that the Directors should be compensated in a form and amount which is appropriate and which is customary for comparative organizations, having regard for such matters as time commitment, responsibility and trends in director compensation.

The Nominating and Governance Committee is mandated to review the compensation of the directors annually and is composed entirely of independent Directors. If required, the Committee can delegate to the HRCC the detail analysis of the Director compensation. Despite

Governance Disclosure Requirements under NI 58-101 **Governance Procedures**

an objective process for determining such compensation.

the possibility of delegation to the HRCC, it remains the responsibility of the Nominating and Governance Committee to recommend to the Board for approval any modification of the Director's compensation.

The HRCC, which is composed of a majority of independent Directors, is mandated to annually review the compensation of the Officers and, if required by the Nominating and Governance Committee, the Directors.

The committee review will include consideration of all forms of compensation that a Director receives, directly or indirectly, including consulting contracts or charitable contributions to organizations in which a Director is affiliated.

- (c) If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.

The Corporation has no employees and is managed by Lantic pursuant to an Administration Agreement. The board of directors of Lantic created the HRCC (see "Executive and Other Compensation — Compensation of the Executives of Lantic"), which is comprised of all of the members of the board of directors of Lantic, except for the President and CEO of Lantic.

The HRCC has the responsibility of annually reviewing and approving the compensation package for executive management of Lantic. The HRCC also reviews and approves Lantic's compensation policies in respect of matters such as pension plans and employee benefit plans.

Lastly, the HRCC approves the hiring of executive management recruited from outside Lantic, as well as the promotion of executive management within Lantic.

The HRCC Charter stipulates that a majority of the HRCC members shall be independent. Messrs. M. Dallas H. Ross, Gary M. Collins and Daniel Lafrance are independent members of the HRCC, representing 60%. The two remaining members of the HRCC, being Messrs. Michael A. Heskin and Donald G. Jewell, are not considered to be independent because they are either employees and/or directors of Belcorp Industries Inc., or one of its affiliates. The directors of Lantic do not consider that the aforementioned relationships prevent the HRCC from ensuring that an objective process is adopted for determining the compensation of the directors and officers of Lantic.

8. Other Board Committees

If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.

The Board has two committees, the Audit Committee and the Nominating and Governance Committee and one ad-hoc committee, namely, the Strategic Initiative Committee. For further information regarding the Corporation's Audit Committee, including the relevant education and experience of its members, see the Corporation's Annual Information Form for the financial year ended October 3, 2020.

The board of directors of Lantic has no committees other than its Audit Committee and the HRCC.

Governance Disclosure Requirements under NI 58-101 **Governance Procedures**

9. Assessments

Disclose whether or not the Board, its committees and individual Directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that the Board, its committees, and its individual Directors are performing effectively.

The Nominating and Governance Committee is responsible for making regular assessments of the overall performance, effectiveness and contribution of the Board and each committee, the Chair, each committee chair and each Director, other than the director nominated by Belkin Industries Inc. pursuant to the Governance Agreement, and reporting on such assessments to the Board. The objective of the assessments is to ensure the continued effectiveness of the Board in the execution of its responsibilities and to contribute to a process of continuing improvement. In addition to any other matters the Nominating and Governance Committee deems relevant, the assessments will consider in the case of the board or a committee, the applicable mandate or charter, and in the case of individual Directors, the applicable position descriptions, as well as the competencies and skills each individual Director is expected to bring to the Board.

10. Director Term Limits and Other Mechanisms of Board Renewal

Disclose whether or not the issuer has adopted term limits for the directors on its Board or other mechanisms of Board renewal and, if so, include a description of those director term limits or other mechanisms of Board renewal. If the issuer has not adopted director term limits or other mechanisms of Board renewal, disclose why it has not done so.

The Corporation has a retirement policy for Directors pursuant to which the Directors must retire by the age of 75, except where the Board determines that it is in the interest of the Corporation to request a director to extend his or her term beyond the regular retirement age, but does not otherwise impose term limits on Directors. The Nominating and Governance Committee and the Board are of the view that term limits are an arbitrary mechanism that may force valued Directors, who have been able to develop, over a period of time, increasing insight into the Corporation, Lantic, its operations and the operations of its subsidiaries and, therefore, provide an increasing contribution to the Board as a whole, off of the Board solely because of length of service, thus depriving the Corporation of their knowledge, skills, qualifications and contributions.

As an alternative to director term limits and to foster Board renewal, the Nominating and Governance Committee annually assesses the effectiveness of the Board, its committees and individual Directors in determining whether to recommend Directors for re-election. In these reviews, consideration is given to each Director's level of engagement and participation in Board activities and his or her ability to continue to make a meaningful contribution to the Board. The Nominating and Governance Committee and the Board believe this flexible approach allows the Board to consider each Director individually as well as the Board composition generally to determine if the appropriate balance is being achieved. See item 9 above, for more information on the annual assessment process.

11. Policies Regarding the Representation of Women and Other Designated Groups on the Board of Directors

(a) Disclose whether the issuer has adopted a written policy relating to the identification and

The Corporation has not adopted a written policy relating to the identification and nomination of women Directors and Directors

Governance Disclosure Requirements under NI 58-101

nomination of women Directors and Directors from other designated groups. If the issuer has not adopted such a policy, disclose why it has not done so.

(b) If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy: (i) a short summary of its objectives and key provisions, (ii) the measures taken to ensure that the policy has been effectively implemented, (iii) annual and cumulative progress by the issuer in achieving the objectives of the policy, and (iv) whether and, if so, how the Board or its nominating committee measures the effectiveness of the policy.

12. Consideration of the Representation of Women and Other Designated Groups in the Director Identification and Selection Process

Disclose whether and, if so, how the Board or nominating committee considers the level of representation of women and other designated groups on the Board in identifying and nominating candidates for election or re-election to the Board. If the issuer does not consider the level of representation of women and other designated groups on the Board in identifying and nominating candidates for election or re-election to the Board, disclose the issuer's reasons for not doing so.

13. Consideration Given to the Representation of Women and Other Designated Groups in Executive Officer or Senior Management Appointments

Disclose whether and, if so, how the issuer considers the level of representation of women and other designated groups in executive officer

Governance Procedures

from other designated groups because, as a matter of practice, diversity, including diversity of gender, background, race, ability and national origin, is among the many factors that the Nominating and Governance Committee considers when evaluating the composition of the Board (see item 12 below). However, Mrs. Wilkes was identified and was elected Director following the independent director search that took place in fiscal 2018.

For these purposes, "designated groups" include women, indigenous peoples (First Nations, Inuit and Metis), persons with disabilities and members of visible minorities.

Not applicable.

Recommendations and decisions of the Nominating and Governance Committee are based on merit, past performance and expected contribution to the Board's performance and, accordingly, diversity is taken into consideration. Although the Nominating and Governance Committee considers the level of representation of women and other designated groups on the Board in identifying and nominating candidates for election or re-election to the Board, it does not believe that diversity, including diversity of gender, background, race, ability and national origin, should be given more considerations than any other factors that the Nominating and Governance Committee may consider relevant. The Nominating and Governance Committee believes that the main factors which should be considered to determine the value which an individual can bring to the Board are the competencies and skills that such individual possesses.

The Corporation nominated Mrs. Wilkes as an additional Board Director following the independent director search that took place in fiscal 2018, and Mrs. Wilkes was elected by the Shareholders at the Annual General Meeting of January 31, 2019.

Although the Corporation and Lantic consider, among other things, the level of representation of women and other designated groups in executive officer or senior management positions when making such

Governance Disclosure Requirements under NI 58-101

or senior management positions when making such appointments. If the issuer does not consider the level of representation of women and other designated groups in executive officer or senior management positions when making such appointments, disclose the issuer's reasons for not doing so.

14. Issuer's Targets Regarding the Representation of Women and Other Designated Groups on the Board of Directors and in Executive Officer or Senior Management Positions

For purposes of this Item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women and members of other designated groups on the issuer's board or in executive officer or senior management positions of the issuer by a specific date.

(a) Disclose whether the issuer has adopted a target regarding women and members of other designated groups on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.

(b) Disclose whether the issuer has adopted a target regarding women and members of other designated groups in executive officer or senior management positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.

Governance Procedures

appointments, they do not believe that diversity, including diversity of gender, background, race, ability and national origin, should be given more considerations than any other factors that they may consider relevant. The Corporation and Lantic believe that the main factors which should be considered to determine the value which an individual can bring to the management team are the competencies and skills that such individual possesses.

However, and as reflected in its policies, the Corporation believes in and values workplace diversity. A diverse working population brings with it cultures and ideas that can benefit and strengthen its workforce. The Corporation and its subsidiaries aspire to provide a workplace that embraces minority groups and ensures that employees are treated equally, with respect, dignity and courtesy at all times. The Corporation and its subsidiaries oppose any form of unlawful discrimination, which may include but is not limited to discrimination on the basis of race, national or ethnic origin, colour, religion, gender, sexual preference, religious or political beliefs, disability and impairment or marital status.

The Corporation has not adopted a target regarding women, indigenous peoples, persons with disabilities or members of a visible minority on the Corporation's Board.

Although the Corporation considers diversity of abilities, experience, perspective, education, gender, background, race and national origin in identifying and nominating candidates for election or re-election to the Board, it does not believe that adopting targets is in the best interests of the Corporation and prefers instead to focus on choosing the most appropriate candidates for the position.

The Corporation has not adopted a target regarding women, indigenous peoples, persons with disabilities or members of a visible minority for executive officer or senior management positions with the Corporation or Lantic.

Although the Corporation and Lantic consider diversity of abilities, experience, perspective, education, gender, background, race and national origin when making executive officer or senior management appointments, they do not believe that adopting targets is in their best interests and prefer instead to focus on choosing the most appropriate candidates for the position.

Governance Disclosure Requirements under NI 58-101 **Governance Procedures**

(c) If the issuer has adopted a target referred to in either (b) or (c), disclose: (i) the target, and (ii) the annual and cumulative progress of the issuer in achieving the target.

Not applicable.

15. Number of Women and Members of Other Designated Groups on the Board of Directors and in Executive Officer or Senior Management Positions

(a) Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women or members of other designated groups.

One woman (17%) as at December 18, 2020.

No indigenous peoples (0%) as at December 18, 2020.

No persons with disabilities (0%) as at December 18, 2020.

No members of visible minorities (0%) as at December 18, 2020.

(b) Disclose the number and proportion (in percentage terms) of executive officers and/or senior managers of the issuer, including all major subsidiaries of the issuer, who are women or members of other designated groups.

11 women (33%) as at December 18, 2020.

No indigenous peoples (0%) as at December 18, 2020.

No persons with disabilities (0%) as at December 18, 2020.

Two members of visible minorities (6%) as at December 18, 2020.

SCHEDULE B

ROGERS SUGAR INC. MANDATE FOR THE BOARD OF DIRECTORS

The term “**Company**” refers to Rogers Sugar Inc., the term “**Board**” refers to the board of directors of the Company, the term “**Company’s Subsidiaries**” refers to any subsidiary of the Company (with the term “**subsidiary**” having a meaning attributed thereto in the *Canada Business Corporations Act*) and the term “**Governance Agreements**” refers to, collectively, the **Administration Agreement** between the Company and Lantic Inc., the **Governance Agreement** between the Company and Belkorp Industries Inc. and the **Governance Agreement** between the Company and Lantic Inc.

The Board is elected by the shareholders and is responsible for the stewardship of the affairs of the Company. The Board seeks to discharge such responsibility by reviewing and discussing the Company’s investments, and in particular the Company’s interest in the Company’s Subsidiaries, and, as an investor, monitoring the stewardship of the Company’s Subsidiaries by their respective boards of directors, subject to the provisions of the Governance Agreements.

The Board is responsible for establishing and maintaining a culture of integrity in the conduct of the affairs of the Company. To the extent within its authority to do so, the Board seeks to discharge this responsibility by satisfying itself as to the integrity of the Chief Executive Officer and other senior management of Lantic Inc., as administrator (the “**Administrator**”) of the Company pursuant to the Administration Agreement, and, as an investor, satisfying itself as to the integrity of the Chief Executive Officer and other senior management of Lantic Inc.

Although directors may be elected by the shareholders to bring special expertise or a point of view to Board deliberations or may be elected by the shareholders pursuant to the requirements of the Governance Agreement, they are not chosen to represent a particular constituency. The best interests of the Company must be paramount at all times.

DUTIES OF DIRECTORS

The Board is responsible for, among other things: (i) supervising the activities and managing the investments and affairs of the Company; (ii) maintaining records and providing reports to shareholders, (iii) effecting payment of dividends to shareholders, (iv) investing funds of the Company and (v) acting for, voting on behalf of and representing the Company as a shareholder and noteholder of Lantic Inc. The Board may exercise in respect of the Company assets and the business and affairs of the Company any and all rights, powers and privileges that could be exercised by a legal and beneficial owner thereof.

The Board discharges its responsibilities directly and through its committees, the Audit Committee, and the Nominating and Governance Committee. In addition to these regular committees, the Board may appoint ad hoc committees periodically to address certain issues of a more short-term nature.

The Board has approved and adopted governance guidelines (the “**Governance Guidelines**”) to assist it in discharging its governance responsibilities. This mandate is supplemented by and is to be read together with the Governance Guidelines, which are incorporated by reference in, and form part of this mandate.

In addition to the Board’s primary role of overseeing the affairs of the Company, principal duties include, but are not limited to the following categories:

Oversight of Administrator

1. In accordance with the Governance Agreements, the Board has delegated authority for certain administrative matters to the Administrator but has retained authority for the overall management of the Company, including strategy and operations. This delegation is summarized in the General Authority Guidelines in **Schedule “A”** that require either prior authorization by the Board or periodic review by the Board in respect of specified matters.
2. The Board has the responsibility for the appointment, training and monitoring of any officers of the Company (collectively, the “**Company Officers**”), and approving the compensation of Company Officers and employees, if any, following a review of the recommendations of the Nominating and Governance Committee. To the extent within its authority to do so, the Board will endeavour to satisfy itself as to the appointment, training and monitoring of senior management of the Administrator undertaken by the board of directors of the Administrator.
3. The Board may from time to time delegate authority to the Administrator, to Company Officers, if any, or others. Matters that are outside the scope of the authority delegated to the Administrator or others and material transactions are reviewed by and subject to the prior approval of the Board.

Monitoring of Investments and Related Matters

4. As an investor, the Board will monitor and review the Company’s investments including its investments in the Company’s Subsidiaries and may question the strategies and plans of the Company’s Subsidiaries.
5. As part of its monitoring role, and recognizing that the Company does not exercise control over the affairs of Lantic pursuant to the Governance Agreements, the Board will endeavour, to the extent within its ability to do so, to monitor and review the strategic planning process undertaken by the Company’s Subsidiaries and seek to encourage the Company’s Subsidiaries to: approve, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of each businesses; to identify the principle risks of each business and implement appropriate systems to manage those risks; and adopt a succession planning system for the Company’s Subsidiaries’ key personnel.
6. The Board has the responsibility for monitoring the compliance by the Company’s Subsidiaries with the Governance Agreement.
7. The Board is responsible for considering appropriate measures it may take as an investor in the Company’s Subsidiaries if the performance of the Company’s Subsidiaries, as the case may be, falls short of its goals or other special circumstances warrant or if the Company’s Subsidiaries do not fulfill its obligations under the Governance Agreement or any other agreement to which the Company, Lantic Inc. and its Subsidiaries may be party.

Financial Performance and Financial and Other Reporting Matters

8. The Board is responsible for approving the audited financial statements of the Company and the notes and Management’s Discussion and Analysis accompanying such financial statements.
9. The Board is responsible for reviewing and approving material transactions involving the Company and those matters that the Board is required to approve, including the payment of dividends, the issuance of shares, acquisitions and dispositions of material assets by the Company and material expenditures by the Company.

Board Organization

10. The expectations and responsibilities of the directors including with respect to attendance at board meetings and advance review of meeting materials are set out in the Governance Guidelines.

11. The Board will respond to recommendations received from the Nominating and Governance Committee, but retains the responsibility for managing its own affairs by giving its approval for its composition, the selection of the Chair of the Board, candidates nominated for election to the Board (subject to the provisions of the Governance Agreement), committee and committee chair appointments, committee charters and director compensation.

12 The Board may delegate to Board committees matters it is responsible for, including the approval of compensation of the Board and management, if any, the approval of interim financial results of the Company, the conduct of performance evaluations and oversight of the Company's internal control systems, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

Policies and Procedures

13. The Board is responsible for:

- (a) approving and monitoring compliance with all significant policies and procedures by which the Company is operated;
- (b) developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company;
- (c) approving policies and procedures designed to ensure that the Company operates at all times within applicable laws and regulations and to the highest ethical and moral standards and with a view to creating a culture of integrity within the Company's organization;
- (d) overseeing the Company's strategy and programs regarding environmental and social risks, stewardship and sustainability; and
- (e) enforcing obligations of the directors respecting confidential treatment of the Company's proprietary information and Board deliberations.

14. The Board has approved a Disclosure Policy respecting communications to the public.

Communications and Reporting

15. The Board is responsible for:

Mandate from stakeholders:

- (a) overseeing the accurate reporting of the financial performance of the Company to shareholders, other security holders and regulators on a timely and regular basis;
- (b) overseeing that the financial results of the Company are reported fairly and in accordance with generally accepted accounting standards and related legal disclosure requirements;
- (c) overseeing the integrity of the internal control and management information systems of the Company;
- (d) taking steps to ensure the timely disclosure of any other developments that have a significant and material impact on the Company;
- (e) reporting annually to shareholders on its stewardship for the preceding year as may be required under applicable securities laws and the rules of any stock exchange on which the Company's shares are listed for trading;
- (f) overseeing the investor relations and communications strategy of the Company; and

- (g) overseeing the Company's implementation of systems that accommodate feedback from shareholders and other stakeholders.

For this, the Company has adopted the following policies.

- (i) the Company is committed to providing efficient access to shareholder information, enabling shareholders to have shareholder related matters addressed, and providing the means for shareholder enquiries and complaints to be appropriately handled.
- (ii) there are a number of ways shareholders can access relevant information and make related enquiries and complaints.
 - a) access the Company's website.
 - b) contact the Company's transfer agent:
 - c) contact the Company's Investor Relations Department.
- (iii) the Company is committed to responding to *bona fide* enquiries and complaints fairly and promptly. Once a *bona fide* enquiry has been received, the Investor Relations Department will endeavour to: answer helpfully; consider the enquiry or complaint; record relevant details (if appropriate); explain the courses of action available; and follow-up and keep the shareholder informed (if required), until the matter is resolved.

EXHIBIT A

TO MANDATE FOR THE BOARD OF DIRECTORS

ROGERS SUGAR INC. **GENERAL AUTHORITY GUIDELINES**

AUTHORITY OF THE ADMINISTRATOR

The Company has retained Lantic Inc. (the “Administrator”) pursuant to the Administration Agreement to provide or arrange for the provision of services required in the administration of the Company. Among other things, the services include arranging and paying for the Company’s annual audit and regulatory public reporting services and costs, arranging for, and paying the costs of, legal counsel, monitoring and co-ordinating the activities of and paying the fees of the transfer agent and registrar for the shares, arranging for dividends to shareholders, and providing reports to shareholders. An extract from the Administration Agreement setting out the specific services to be provided by the Administrator is attached as Appendix “1”.

The directors have retained responsibility for overall management of the Company, including strategy and operations. This responsibility is subject to the provisions of the Governance Agreements and applicable law.

MATTERS REQUIRING DIRECTORS OR COMMITTEE OF DIRECTORS APPROVAL OR REVIEW

I. Organizational Changes and Policy

- (1) Approve major changes to the organization of the Company such as the creation or divestiture of investments or acquisitions.
- (2) Approve adoption of or changes to Company policies with application to the conduct of directors, including the insider trading policy and the disclosure policy of the Company.
- (3) Review of adherence to the policies of the Company.
- (4) Approve proposed changes to the Governance Agreement or other Agreements.

II. Financial and Corporate

- (5) Approve the Company’s annual audited financial statements, annual report, management proxy circular and annual securities law filings.
- (6) Approve the Company’s interim financial statements and other reporting in accordance with the Company’s disclosure policy and Audit Committee Charter.
- (7) Approve declaration of dividends and changes to Company practice in respect thereof.
- (8) Approve any dividend reinvestment plan.
- (9) Approve repurchase of shares, issuance, repurchase or redemption of debt securities and any prospectuses or circulars in connection therewith other than pursuant to redemptions.

- (10) Approve the Company's borrowing, hedging and granting of guarantees, if any.
- (11) Review significant changes in the Company's accounting practices or policies.
- (12) Review findings of any regulatory agencies concerning the financial information of the Company and the Administrator's response.
- (13) Approve adoption of share option, share purchase or other share based compensation arrangements, if any, that involve the issuance of shares by the Company or involve the purchase of shares by the Company.

III. External Auditors of the Company

- (14) Recommend appointment of external auditors of the Company for approval by shareholders and establish their fees and annual audit plan.
- (15) Review independence of the Company's external auditors.
- (16) Review findings of external audit review and the Administrator's response.

IV. Risk Management

- (17) Identify the principal risks of the Company's investments and affairs and ensure the implementation of appropriate systems to manage those risks.
- (18) Review the Company's risk management and insurance coverages, if any, annually.
- (19) Review the Company's conduct of litigation that could materially affect the financial condition of the Company.
- (20) Review effectiveness of the Company's internal control procedures.

V. Management and Administration

- (21) Monitor and evaluate the performance of the Administrator pursuant to the Administration Agreement.
- (22) As an investor, monitor and evaluate the Company's investments including its investments in the Company's Subsidiaries.
- (23) Approve appointment or removal of officers or employees of the Company, if any.

APPENDIX "1"

EXTRACT FROM ADMINISTRATION AGREEMENT

1.1 Administration of the Affairs of RSI

Subject to and in accordance with the terms, conditions and limitations of the Act and its governing documents, RSI hereby delegates to the Administrator, and the Administrator hereby agrees to be responsible for, the administration of the general and administrative affairs of RSI in accordance with the provisions hereof (other than the issue, certification, countersigning, transfer and cancellation of certificates representing Shares and the maintenance of a register of Shareholders) and specifically including such matters as may be requested by RSI from time to time.

1.2 Administration and Advisory Services

It is acknowledged and agreed that in furtherance of its obligations under section 1.1 to administer and manage the general and administrative affairs of RSI, and not in limitation thereof, the Administrator will:

- (a) keep and maintain at its offices in Montréal, Québec at all times books, records and accounts which shall contain particulars of operations, receipts, disbursements and investments relating to RSI Assets and such books, records and accounts shall be kept pursuant to normal commercial practices that will permit the preparation of financial statements in accordance with Canadian generally accepted accounting principles and in each case shall be, as nearly as practicable, in accordance with those required of a corporation under the Act and the *Income Tax Act* (Canada) and the income tax regulations applicable with respect thereto, all as amended from time to time;
- (b) prepare all income tax returns filings of RSI;
- (c) provide advice with respect to RSI' s obligations as a reporting issuer and arrange for compliance by RSI with continuous disclosure obligations under applicable securities legislation including the preparation and filing of reports and other documents with all applicable regulatory authorities;
- (d) arrange for the payment of listing, sustaining fees and fees associated with additional listings charged by The Toronto Stock Exchange for or in respect of the Shares and similar fees charged by any other exchange on which the Shares may from time to time be listed;
- (e) arrange for the maintenance of proper registers for Shareholders and for issues, redemptions and cancellations of Shares;
- (f) arrange for and monitor and coordinate the activities of and paying for Shares and any other third party provider of services;
- (g) provide investor relations services to RSI;
- (h) at the request and under the direction of the Directors, call and hold all annual and/or special meetings of the Shareholders, prepare all materials (including notices of meetings and information circulars) in respect thereof and submit all such materials to the Directors in sufficient time prior to the dates upon which they must be mailed, filed or otherwise relied upon so that the Directors have a reasonable opportunity to review them, approve them, execute them and return them to the Administrator for filing or mailing or otherwise use them;
- (i) provide, for performing its obligations hereunder, office space, equipment and personnel including all accounting, clerical, secretarial, corporate and administrative services as may be reasonably necessary to perform its obligations hereunder;

- (j) provide or cause to be provided such audit, accounting, engineering, legal, insurance and other professional services as are reasonably required or desirable for the purposes of RSI from time to time and provide or cause to be provide such legal, engineering, financial and other advice and analysis as the Directors may require or desire to permit any of them of their responsibilities as Directors, to the extent such advice and analysis can be reasonably provided or arranged by the Administrator;
- (k) provide assistance in negotiating the terms of any financing required by RSI or otherwise in connection with RSI Assets;
- (l) provide or cause to be provided to the Directors any services reasonably necessary for them to be able to consider any future acquisitions or divestitures by RSI of RSI Assets;
- (m) provide advice to the Directors with respect to determining the timing and terms of future offerings of Shares, if any;
- (n) administer all of the records and documents relating to RSI Assets;
- (o) provide advice and, at the request and under the direction of the Directors, direction to the Transfer Agent;
- (p) provide advice with respect to the determination of the dividend payable and arrange for payment thereof to the Shareholders; and
- (q) provide such additional administrative and support services pertaining to RSI, RSI Assets and the Shares and matters incidental thereto as may be reasonably requested by RSI from time to time.

The Administrator shall provide quarterly reports to the Directors outlining the nature and details of the foregoing services that have been provided including, without limitation, details of all matters in respect of which the Administrator shall be seeking reimbursement pursuant to section 3.2 hereof.

1.3 Powers and Authorities of the Administrator

The Administrator shall have full right, power and authority to do and refrain from doing all such things as are necessary or appropriate in order to discharge its duties hereunder. In particular, and without limiting the generality of the foregoing, the Administrator shall have full right, power and authority to execute and deliver all contracts, leases, licences and other documents and agreements, to make applications and filings with governmental and regulatory authorities and to take such other actions as the Administrator considers appropriate in connection with RSI in the name of and on behalf of RSI and no person shall be required to determine the authority of the Administrator to give any undertaking or enter into any commitment on behalf of RSI, provided that the Administrator shall not have the authority to commit to any transaction which would require the approval of the Shareholders in accordance with the Act and its governing documents or take any action required to be taken by the Directors under the Act and its governing documents or take any action requiring approval of the Directors without such approval having been given.”

SCHEDULE C

AMENDMENT TO THE BY-LAWS

(See attached)

SELECTED EXTRACTS OF

BY-LAW NO. 1

of

ROGERS SUGAR INC.

(the “Corporation”)

being a by-law relating generally to the transaction
of the business and affairs of the Corporation

ARTICLE ONE

INTERPRETATION

SECTION 1.01 DEFINITIONS. In the by-laws of the Corporation, unless the context otherwise requires:

...

“recorded address” means in the case of a shareholder his latest address as recorded in the securities register; and in the case of joint shareholders the address appearing in the securities register in respect of such joint holding or the first address so appearing if there are more than one; and in the case of a director, officer, auditor or member of a committee of the board, his latest address as shown in the records of the Corporation; [and](#)

~~“Related Body” means any corporation, company or other body corporate, partnership, joint venture, trust, association, unincorporated organization or any other entity recognized by law in which the Corporation is a direct or indirect shareholder, partner, joint venturer, associate or beneficiary, as the case may be; and~~

...

ARTICLE TWO

BUSINESS OF THE CORPORATION

SECTION 2.05 INFORMATION. Subject to the provisions of the Act, no shareholder shall be entitled to discovery of any information respecting any details or conduct of the Corporation's business which, in the opinion of the board, it would be inexpedient in the interests of the shareholders or the Corporation to communicate to the public. Subject to

the Act, the board may from time to time determine whether and to what extent and at what time and place ~~-, or by which communication facility,~~ and under what conditions or regulations the accounts, records and documents of the Corporation or any of them shall be open to the inspection of shareholders and no shareholder shall have any right of inspecting any account, record or document of the Corporation except as conferred by the Act or authorized by the board or by resolution passed at a general meeting of shareholders.

ARTICLE FOUR

DIRECTORS

SECTION 4.06 CANADIAN DIRECTORS PRESENT AT MEETING. The board, other than the board of a corporation referred to in subsection 105(4) of the Act, shall not transact business at a meeting, other than filling a vacancy in the board arising otherwise than by an increase in the number or the minimum or maximum number of directors or from a failure to elect the number or minimum number of directors required by the articles, unless:

- (a) if the Corporation is subject to subsection 105(3) of the Act, at least twenty-five percent (25%) of the directors present are resident Canadians or, if the Corporation has less than four (4) directors, at least one (1) of the directors present is a resident Canadian; or
- (b) if the Corporation is subject to subsection 105(3.1) of the Act, a majority of directors present are resident Canadians or if the Corporation has only two (2) directors, at least one (1) of the directors present is a resident Canadian.

Notwithstanding the above, directors may transact business at a meeting of directors where the number of resident Canadian directors, required under the above, is not present if:

- (c) a resident Canadian director who is unable to be present approves in writing or by means of telephonic, electronic or other communication facility the business transacted at the meeting; and
- (d) the required number of resident Canadian directors would have been present had that director been present at the meeting.

SECTION 4.07 PARTICIPATION IN MEETINGS. If all the directors consent, a director may participate in a meeting of the board or of a committee of the board by means of ~~such~~ telephonic, electronic or other communication facility that permits all

persons participating in the meeting to communicate adequately with each other during the meeting, and a director participating in such a meeting by such means is deemed to be present at that meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of the board held while a director holds office.

SECTION 4.08 PLACE AND CALLING OF MEETINGS. Meetings of the board may be held at any place in or outside Canada, ~~as the officers or directors convening the meeting may from time to time determine,~~ and may be held entirely by means of telephonic, electronic or other communication facility that permits all persons participating in the meeting to communicate adequately with each other. A meeting of the ~~Board~~-board may be convened at any time by the chairperson of the board, the chairperson of the executive committee (if any), the president or any two directors may determine.

SECTION 4.10 NOTICE OF MEETING OR WAIVER OF NOTICE. Notice of the time and place of each meeting of the board- including that such meeting shall be held entirely by means of telephonic, electronic or other communication facility permitting all persons participating in the meeting to communicate adequately with each other, shall be given in the manner provided in Section 12.01 to each director not less than twenty-four (24) hours before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified. A director may in any manner, whether before, during or after a meeting of directors, waive notice of or otherwise consent to a meeting of directors; and attendance of a director at a meeting of directors is a 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 is not lawfully called. No action taken at any meeting of the board shall be invalidated by the accidental failure to give notice or sufficient notice thereof to any director.

SECTION 4.12 ADJOURNED MEETING. Any meeting of the board may be adjourned from time to time by the chairperson of the meeting, with the consent of the meeting, to such time and place as the ~~chairperson~~-chairperson may fix. No notice of an adjourned meeting need be given to any director. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The directors who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment.

SECTION 4.13 REGULAR MEETINGS. The board may fix the time and place for regular meetings of the board. For greater certainty, such meetings may be held entirely

by means of telephonic, electronic or other communication facility. A copy of any resolution of the board fixing the place and time of such regular meetings shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be transacted thereat to be specified.

ARTICLE EIGHT

SHARES

SECTION 8.07 REPLACEMENT OF SHARE CERTIFICATES. Where the owner of a share certificate claims that the share certificate has been lost, destroyed or wrongfully taken, the Corporation shall issue a new share certificate in place of the original share certificate ~~if~~of the owner:

- (a) so requests before the Corporation has notice that the share certificate has been acquired by a *bona fide* purchaser;
- (b) furnishes the Corporation with a sufficient indemnity bond, if required by the Corporation; and
- (c) satisfies any other reasonable requirements imposed by the Corporation.

ARTICLE TEN

MEETINGS OF SHAREHOLDERS

SECTION 10.01 ANNUAL MEETINGS. Subject to the Act, the annual meeting of shareholders shall be held at such time in each year and, subject to Section 10.03, at such place as the board or ~~if~~ failing it, the chairperson of the board, the chairperson of the executive committee (if any) or the president may from time to time determine, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing auditors and for the transaction of such other business as may properly be brought before the meeting. For greater certainty, annual meetings of shareholders may be held entirely by means of telephonic, electronic or other communication facility, provided that the requirements under Section 10.03 and Section 10.04 of these by-laws are met.

SECTION 10.02 SPECIAL MEETINGS. The board, the chairperson of the board, the chairperson of the executive committee (if any) or the president shall have power to call a special meeting of shareholders at any time.

SECTION 10.03 PLACE OF MEETINGS. Meetings of shareholders shall be held at the registered office of the Corporation or, if the board shall so determine, at some other place in Canada. The board may also determine that a meeting of shareholders shall be held entirely by means of telephonic, electronic or other communication facility permitting all persons participating in the meeting to communicate adequately with each other, provided that the notice requirements set out in this by-law are met.

SECTION 10.04 NOTICE OF MEETINGS. Notice of the time and place of each meeting of shareholders shall be given in the manner provided in Section 12.01 not less than twenty-one (21) nor more than sixty (60) days before the date of the meeting to each director, to the auditor and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting. A shareholder may in any manner either before, during or after a meeting of shareholders waive notice of or otherwise consent to a meeting of shareholders and attendance at a meeting of shareholders is a waiver of notice of the meeting, except where a shareholder attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

SECTION 10.05 PARTICIPATION. Any person entitled to attend a meeting of shareholders may participate in the meeting by means of telephonic, electronic or other communication facility, provided that the chairperson of the meeting is satisfied that all participants will be able to communicate adequately with each other during such meeting and the Corporation makes such a communication facility available. Any person participating in a meeting of shareholders by means of telephonic, electronic or other communication facility shall be deemed to be present at that meeting of shareholders for all purposes.

SECTION 10.06 ~~SECTION 10.5~~ CHAIRPERSON, SECRETARY AND SCRUTINEERS. The chairperson of any meeting of shareholders shall be the first mentioned of such of the following officers as have been appointed and who is present at the meeting: chairperson of the board, chairperson of the executive committee, president or a vice-president who is a shareholder. If no such officer is present within fifteen (15) minutes after the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chairperson. If the secretary and/or each assistant-secretary of the Corporation are absent, the chairperson shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chairperson of the meeting.

SECTION 10.07 ~~SECTION 10.6~~ PERSONS ENTITLED TO BE PRESENT. The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and auditors of the Corporation as well as its secretary and others

who, although not entitled to vote, are entitled or required under any provision of the Act or the articles or by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chairperson of the meeting or with the consent of the meeting.

SECTION 10.08 ~~SECTION 10.7~~ QUORUM. Subject to the articles, a quorum for the transaction of business at any meeting of shareholders shall be two persons present in person, each being a shareholder entitled to vote thereat or a duly appointed proxy for an absent shareholder so entitled, and holding or representing the holder or holders of shares carrying not less than ten percent (10%) of the total number of votes attached to the issued shares of the Corporation for the time being enjoying voting rights at such meeting. If a quorum is present at the opening of a meeting of shareholders, the shareholders present may proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting.

If a quorum is not present at the opening of a meeting of shareholders, the shareholders present ~~in person~~ and entitled to be counted for the purpose of forming a quorum shall have power to adjourn the meeting from time to time to a fixed time and place ~~, or to be held entirely by means of telephonic, electronic or other communication facility,~~ without notice other than announcement at the meeting until a quorum shall be present, subject to the provisions of the Act, the articles and Section ~~10.15~~ 10.16 of this by-law. At any such adjourned meeting, provided a quorum is present, any business may be transacted which might have been transacted at the meeting adjourned.

SECTION 10.09 ~~SECTION 10.8~~ RIGHT TO VOTE. The shareholders entitled to vote at any meeting of shareholders shall be determined in accordance with the provisions of the Act and the articles.

SECTION 10.10 ~~SECTION 10.9~~ PROXIES. Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, who need not be shareholders, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the shareholder or his attorney and shall conform with the requirements of the Act and its regulations thereunder.

SECTION 10.11 ~~SECTION 10.10~~ TIME FOR DEPOSIT OF PROXIES. The board may specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting by not more than forty-eight (48) hours exclusive of non-business days, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or, if no such time is specified in such notice, unless it has been received by the secretary of the Corporation or by the chairperson of the meeting or any adjournment thereof prior to the time of voting.

SECTION 10.12 ~~SECTION 10.11~~ JOINT SHAREHOLDERS. If two or more persons hold shares jointly, any one of them present ~~in person~~ or represented by proxy at a meeting of shareholders may, in the absence of the other or others, vote the shares; but if two or more of those persons who are present, ~~in person or~~ or represented by proxy, vote, they shall vote as one on the shares jointly held by them.

SECTION 10.13 ~~SECTION 10.12~~ VOTES TO GOVERN. At any meeting of shareholders every question shall, unless otherwise required by the articles or by-laws or by law, be determined by the majority of the votes cast on the question. In case of an equality of votes, either upon a show of hands or upon a poll, including an online poll, the chairperson of the meeting shall not have a second or casting vote.

SECTION 10.14 ~~SECTION 10.13~~ SHOW OF HANDS. Subject to the provisions of the Act, any question at a meeting of shareholders shall be decided by a show of hands unless a ballot thereon is required or demanded, including an online poll, as hereinafter provided. For greater certainty, if a meeting of shareholders is held entirely by means of telephonic, electronic or other communication facility, voting at that meeting shall be by online ballot. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chairperson of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question.

SECTION 10.15 ~~SECTION 10.14~~ BALLOTS. On any question proposed for consideration at a meeting of shareholders, and whether or not a show of hands has been taken thereon, any shareholder or proxyholder entitled to vote at the meeting may require or demand a ballot. A ballot so required or demanded shall be taken in such manner as the chairperson shall direct, including an online ballot. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the shares which he is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said question.

SECTION 10.16 ~~SECTION 10.15~~ ADJOURNMENT. Subject to the articles, if a meeting of shareholders is adjourned for less than thirty (30) days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the meeting that is adjourned. If a meeting of shareholders is adjourned by one or more

adjournments for an aggregate of thirty (30) days or more, notice of the adjourned meeting shall be given as required by the Act.

| SECTION 10.17 ~~SECTION 10.16~~ RESOLUTION IN WRITING. A resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of the shareholders unless a written statement with respect to the subject matter of the resolution is submitted by a director or the auditors in accordance with the Act.

SCHEDULE D

RESOLUTION RELATED TO AMENDED AND RESTATED SHARE OPTION PLAN

The following is the text of the resolution that Shareholders are being asked to approve at the meeting:

“BE IT RESOLVED

1. **THAT** the Amended and Restated Share Option Plan (the “**Plan**”) of Rogers Sugar Inc. (the “**Corporation**”), a draft of which is attached at Exhibit A hereto, with such additional and/or alternative amendments as the directors of the Corporation may determine to be necessary or desirable in order to achieve the objectives and purposes described at sections “Ratification of Amended and Restated Share Option Plan” and “Share Based Compensation – Share Option Plan” of the Management Proxy Circular of the Corporation dated December 18, 2020, be and is hereby authorized, approved and ratified.
2. **THAT** the Plan shall become effective on the date of approval by the shareholders of the Corporation.
3. **THAT** the making of an application to the Toronto Stock Exchange to list thereon 6,000,000 additional common shares of the Corporation, as reserved for issuance under the Plan, be and it is hereby ratified.
4. **THAT** the directors of the Corporation are hereby authorized and directed to execute or cause to be executed the Plan on behalf of the Corporation.
5. **THAT** the directors of the Corporation are hereby authorized to grant options under the Plan.
6. **THAT** notwithstanding that the foregoing resolutions have been duly passed, the directors of the Corporation may, without further notice to or approval of the shareholders of the Corporation, determine the timing and arrange for the implementation of the Plan or decide not to proceed with the implementation of the Plan, or revoke this resolution at any time prior to the implementation of the Plan.
7. **THAT** the directors of the Corporation are hereby authorized to execute or cause to be executed on behalf of the Corporation or to deliver or cause to be delivered all such documents, amendments, agreements (including grant agreements) and instruments and do or cause to be done all such other acts and things as they shall determine to be necessary or desirable in order to carry out the intent of the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, amendment, agreement or instrument or the doing of any such act or thing.”

EXHIBIT A

AMENDED AND RESTATED SHARE OPTION PLAN

(See attached)

ROGERS SUGAR INC.

SHARE OPTION PLAN

December ~~2014~~18, 2020

(corresponding to the January 1, 2011 Share Option Plan,
as amended on February 9, 2012 and on November 18, 2014 by the Board of Directors
and approved at the subsequent Annual General Meetings and as further amended by the
Board of Directors on November 25, 2020)

ROGERS SUGAR INC.

SHARE OPTION PLAN

1 **1. Purpose of the Plan**

- 1.1 ~~Within the context of the Arrangement and subject to certain conditions as hereinafter set forth, the The purpose of this Plan is to replace the Unit Option Plan of the Fund and allow the optionee thereunder to maintain the rights and benefits which they were granted through Unit Options as service providers to the Fund and its affiliates. Moreover, the Plan aims~~ to attract, retain and motivate persons as service providers to the Corporate Group and to advance the interests of the Corporate Group by providing such persons with the opportunity, through Options, to acquire a proprietary interest in the Corporate Group.

2 **2. Defined Terms**

Where used herein, the following terms shall have the following meanings, respectively:

- ~~2.1 “**Arrangement**” means the Fund’s conversion to a corporate structure by way of a plan of arrangement under the *Canada Business Corporations Act* involving the Fund, its unitholders and Rogers Sugar Inc.~~
- 2.1 ~~2.2~~ **“Associate”** has the meaning ascribed thereto in the *Securities Act* (Ontario);
- 2.2 ~~2.3~~ **“Affiliate”** has the meaning ascribed thereto in Section 601 of the Toronto Stock Exchange Company Manual;
- 2.3 ~~2.4~~ **“Board”** means, at any particular time, the board of directors of Rogers Sugar Inc.
- 2.4 **“Cause”** means a determination by the Board that any of the following has occurred: (i) wilful and continued failure by the Optionee to substantially perform the Optionee’s duties with the Corporate Group (other than any such failure resulting from his or her incapacity due to physical or mental illness) after a demand for substantial performance improvement has been delivered in writing to the Optionee, which specifically identifies the manner in which the Corporate Group believes that the Optionee has not substantially performed his or her duties; (ii) wilful engaging by the Optionee in misconduct which is materially injurious to the Corporate Group, monetarily or otherwise; or (iii) the conviction of the Optionee of a criminal offence involving dishonesty or other moral turpitude; provided that no act, or failure to act, on the Optionee’s part shall be considered “wilful” unless the Board determines that such act or failure to act by the Optionee was in bad faith and was without reasonable belief by the Optionee that such act or failure to act was in the best interests of the Corporate Group;
- 2.5 ~~2.5~~ **“Corporate Group”** means Rogers Sugar Inc. and its Affiliates, present and future, so long as such Affiliates remain Affiliates of Rogers Sugar Inc.;

2.6 “**Designated Exchange**” means the Toronto Stock Exchange or such other exchange as may be designated from time to time by the Board;

2.7 ~~2.7~~ “**Eligible Person**” means:

- (a) ~~(a)~~ any member of the senior personnel of the Corporate Group (an “Eligible individual”); or
- (b) ~~(b)~~ a corporation controlled by an Eligible Individual, the issued and outstanding voting shares of which are, and will continue to be, beneficially owned, directly or indirectly, by such Eligible Individual and/or the spouse, minor children and/or minor grandchildren of such Eligible Individual (an “Eligible Corporation”); or
- (c) ~~(c)~~ a family trust of which the sole trustee is an Eligible Individual and/or the beneficiary or beneficiaries are any one or combination of such Eligible Individual and/or the spouse, minor children and/or minor grandchildren of such Eligible Individual (an “Eligible Trust”);

~~2.8 — “Fund” means Rogers Sugar Income Fund;~~

2.8 ~~2.9~~ “**Insider**” means any insider, as such term is defined in Section 1 (1) of the *Securities Act* (Ontario), of the Corporate Group, and includes any Associate or Affiliate of any such insider;

2.9 “Non-Employee Member of the Board” means a director of Rogers Sugar Inc. who is not an employee of the Corporate Group;

2.10 “**Option**” means an option to purchase Shares granted to an Eligible Person under the Plan;

2.11 “**Option Price**” means the price per Share at which Shares may be purchased under an Option, as the same may be adjusted from time to time in accordance with Section 8 hereof;

2.12 “**Optioned Shares**” means the Shares issuable pursuant to an exercise of Options;

2.13 “**Optionee**” means an Eligible Person to whom an Option has been granted and who continues to hold such Option;

2.14 “**person**” means and includes individuals, corporations, limited partnerships, general partnerships, joint stock companies, limited liability corporations, joint ventures, associations, companies, trusts, banks, trust companies, trustees, executors, administrators or other legal personal representatives, pension funds, land trusts, business trusts or other organizations, whether or not legal entities and regulatory bodies, governments and agencies and political subdivisions thereof and municipalities;

2.15 “**Plan**” means the Rogers Sugar Inc. Share Option Plan, as the same may be amended, supplemented, restated and/or varied from time to time;

2.16 **“Retirement”** means the termination of employment of an Optionee from active employment with the Corporate Group (other than for Cause) where the Optionee’s retirement has been approved by the Board and the Optionee complies with such conditions as the Board may require in connection with its approval, including, without limitation:

- (i) the Optionee has attained (A) (x) age sixty-five (65), (y) age fifty-five (55) with at least ten (10) years of service or (z) age fifty-eight (58) with at least five (5) years of service, or (B) such lesser age and/or service thresholds as the Board may determine in its discretion;
- (ii) the Optionee has given the Corporate Group formal notice of his or her intention to retire at least six (6) months in advance, or such lesser advance notice as the Board may approve in its discretion;
- (iii) the Optionee receives no cash severance payment or retiring allowance or the equivalent;
- (iv) the Optionee has complied with such transitional activities as may be reasonably required by the Corporate Group during the period from the date the notice of the Optionee’s intention to retire has been given until the date the Optionee ceases his or her active employment with the Corporate Group, in order to ensure a continuous transition of his or her position; and
- (v) the Optionee enters into any agreement that the Corporation reasonably believes is appropriate in the circumstances, including, without limitation, non-competition and non-solicitation covenants and releases;

2.17 ~~2.16~~ **“Rogers Sugar Inc.”** means Rogers Sugar Inc. and includes any successor thereof;

2.18 ~~2.17~~ **“Shares”** means the common shares of Rogers Sugar Inc. or, in the event of an adjustment contemplated by Section 9 hereof, such other shares or securities to which an Optionee may be entitled upon the exercise of an Option as a result of such adjustment;

2.19 ~~2.18~~ **“Share Compensation Arrangement”** means (a) a share option plan for the benefit of employees, Insiders, service providers or any one of such groups (b) individual share options granted to employees, service providers or Insiders if not granted pursuant to a plan previously approved by the Rogers Sugar Inc.’s shareholders, (c) a share purchase plan where Rogers Sugar Inc. provides financial assistance or where Rogers Sugar Inc. matches the whole or a portion of the Shares being purchased, (d) a share appreciation right involving issuances of Shares from treasury, (e) any other compensation or incentive mechanism involving the issuance or potential issuances of Shares, or (f) Share purchases from treasury that are financially assisted by Rogers Sugar Inc. by any means whatsoever.

2.20 ~~2.19~~ **“Subsidiary”** means any corporation which is a subsidiary, as such term is defined in Section 1 (4) of the *Securities Act* (Ontario), of Rogers Sugar Inc., as well as any trust of which Rogers Sugar Inc. is, directly or indirectly, beneficiary;

~~2.20 “Unit” means a unit of the Fund;~~

~~2.21 “Unit Option” means an option to purchase Units which was granted under the Unit Option Plan;~~

~~2.22 “Unit Option Plan” means the unit option plan of the Fund effective as of July 1, 2005;~~

3 **3-Administration of the Plan**

3.1 The Plan shall be administered by the Board.

3.2 The Board shall have, where consistent with the general purpose and intent of the Plan and subject to the specific provisions of the Plan, the power to:

- ~~(a)~~ ~~a)~~ establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of the Plan;
- ~~(b)~~ ~~b)~~ interpret and construe the Plan, and to determine all questions arising out of the Plan or any Option, and any such interpretation, construction or determination made by the Board shall be final, binding and conclusive for all purposes;
- ~~(c)~~ ~~c)~~ determine to which Eligible Person Options are granted and to grant Options;
- ~~(d)~~ ~~d)~~ determine the time or times when Options will be granted and exercisable;
- ~~(e)~~ ~~e)~~ determine the number of Shares covered by each Option;
- ~~(f)~~ ~~f)~~ determine the Option Price of each Option;
- ~~(g)~~ ~~g)~~ determine if the Shares which are issuable on the exercise of an Option will be subject to any restrictions upon the exercise of such Options; and
- ~~(h)~~ ~~h)~~ prescribe the form of the instruments relating to the grant, exercise and other terms of Options.

3.3 Any Option granted under the Plan shall be subject to the requirement that, if at any time counsel to Rogers Sugar Inc. shall determine that the listing or qualification of the Shares subject to such Option upon any securities exchange or under any law or regulation of any jurisdiction, or the consent or approval of any securities exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant or exercise of such Option or the issuance or purchase of Shares thereunder, such Option may not be accepted or exercised in whole or in part unless such listing, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require Rogers Sugar Inc. to apply for or to obtain such listing, qualification, consent or approval.

4 **4-Shares Subject to the Plan**

4.1 Options may be granted in respect of authorized and unissued Shares, provided that the aggregate number of Shares reserved for issuance upon the exercise of all Options

granted under the Plan, subject to any adjustment of such number pursuant to the provisions of Section 9 hereof shall not exceed ~~4,000,000~~ 6,000,000 Shares provided that:

- (a) ~~a)~~ the aggregate number of Shares reserved for issuance at any time to any one (1) Optionee shall not exceed five percent (5%) of the number of Shares of Rogers Sugar Inc. outstanding on a non-diluted basis at such time, less the total of all Shares reserved for issuance to such Optionee pursuant to any other Share Compensation Arrangement of the Corporate Group;
- (b) ~~b)~~ the aggregate number of Shares issuable (or, reserved for issuance) to Insiders of the Corporate Group under the Plan or any other Share Compensation Arrangement of the Corporate Group, cannot at any time exceed ten percent (10%) of the issued and outstanding Shares of Rogers Sugar Inc.; ~~and~~
- (c) ~~e)~~ the aggregate number of Shares issued to Insiders of the Corporate Group under the Plan or any other Share Compensation Arrangement of the Corporate Group, within a one-year period, cannot exceed ten percent (10%) of the issued and outstanding Shares of Rogers Sugar Inc.; and
- (d) the aggregate fair value of Options granted under all Share Compensation Arrangements to any one (1) Non-Employee Member of the Board entitled to receive a benefit under the Plan, within any one (1) year period, cannot exceed \$100,000 valued on a Black-Scholes basis and as determined by the Board; and the aggregate number of securities issuable to all Non-Employee Members of the Board entitled to receive a benefit under the Plan, under all Share Compensation Arrangements, cannot exceed 1% of its issued and outstanding Shares.

5 **5. Eligibility, Grant and Terms of Options**

- 5.1 Options may be granted to any Eligible Person as determined by the Board from time to time in accordance with the provisions hereof.
- 5.2 Subject to any adjustments pursuant to the provisions of Section 9 hereof, the Option Price of any Option shall in no circumstances be lower than the volume weighted average trading price of the Shares on the Designated Exchange for the five (5) days immediately preceding the date of the grant of the Options, as exchanged by the Options under the Arrangement.
- 5.3 In no event may the term of an Option exceed ten (10) years from the date of the grant of any Option.
- 5.4 Optioned Shares in respect of which Options are not exercised under the Plan, due to expiration, termination or lapse of such Options, shall be available for subsequent Options under this Plan. No fractional Shares may be purchased or issued under the Plan.
- 5.5 An Option or interest therein is personal to each Optionee and is non-assignable other than by will or the law of succession. No Option granted hereunder shall be

hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of on pain of nullity.

- 5.6 Notwithstanding Section 5.5 hereof, Options may be transferred or assigned among an Eligible Individual and the related Eligible Corporation or Eligible Trust, provided, however, the assignor delivers notice to Rogers Sugar Inc. prior to the assignment and the Board approves such assignment.

6. Termination of Employment, Retirement or Death

- 6.1 Subject to Section 6.2 and to any express resolution passed by the Board with respect to an Option, an Option, and all rights to purchase Shares pursuant thereto, shall expire and terminate immediately upon the Optionee ceasing to be an Eligible Person. For greater certainty, the Optionee shall not lose any rights to any Options granted pursuant to the Plan if he or she changes positions within the Corporate Group so long as he or she remains an Eligible Person. Subject to the rules of any securities exchange or other governmental or regulatory body, the Board may, by resolution, decide that any of the provisions hereof concerning the effect of ceasing to be an Eligible Person shall not apply to any Optionee for any reason acceptable to the Board.
- 6.2 If, before the expiry of an Option in accordance with the terms thereof, the employment of the Optionee by the Corporate Group shall terminate for any reason whatsoever other than termination by the Corporate Group for ~~cause~~Cause, but including termination by reason of the death of the Optionee, such Option may, subject to the terms thereof and any other terms of the Plan, be exercised, if the Optionee is deceased, by the legal personal representative(s) of the estate of the Optionee during the first year following the death of the Optionee, or if he or she is alive, by the Optionee, at any time within three (3) months of the date of termination of the employment of the Optionee (but in either case prior to the expiry of the Option in accordance with the terms thereof), but only to the extent that the Optionee was entitled to exercise such Option at the date of the termination of his employment.
- 6.3 If the employment of an Optionee is terminated as a result of a Retirement, the Board shall have the right, by resolution, to provide that all Options granted to such Optionee shall continue to vest for a two (2) year period after Retirement and may be exercised, by such Optionee, during that two (2) year period (but in any event only prior to the expiry of such Options in accordance with the terms thereof).
- 6.4 ~~6.3~~Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director where the Optionee continues to be employed on a full-time basis by, or continues to be a director of any entity of the Corporate Group.
- 6.5 ~~6.4~~If the Optionee is an Eligible Corporation or Eligible Trust, the references to the Optionee in this Section 6 shall be deemed to refer to the Eligible Individual associated with the Eligible Corporation or Eligible Trust.
- 6.6 ~~6.5~~Notwithstanding Sections 6.1, 6.2 and 6.3 but subject to Section 5.3, at the time an Optionee ceases to be an Eligible Person for any reason, the Board shall have the right to extend the period of time over which any Option is exercisable; provided, however, that (i) if such period of time exceeds the maximum period of time permitted by Sections 6.2, such extension shall be subject to any required consent or approval of

any securities exchange or other governmental or regulatory body or (ii) if such extension benefits an Insider of Rogers Sugar Inc., such extension shall be subject to the approval of the shareholders of Rogers Sugar Inc.

7 ~~7~~ **Exercise of Options**

- 7.1 Subject to the provisions of the Plan and of the Option, an Option may be exercised from time to time by delivery to Lantic Inc., the administrator of Rogers Sugar Inc., at its registered office of a written notice of exercise addressed to its Secretary, specifying the number of Shares with respect to which the Option is being exercised and accompanied by payment in full, by certified cheque or other legal tender, of the Option Price of the Shares then being purchased. Certificates for such Shares shall be issued and delivered to the Optionee within a reasonable time following the receipt of such notice and payment.
- 7.2 Notwithstanding any of the provisions contained in the Plan or in any Option, Rogers Sugar Inc.'s obligation to issue Shares to an Optionee pursuant to the exercise of any Option shall be subject to:
- (a) ~~a~~) completion of such registration or other qualification of such Shares or obtaining consent or approval of such governmental or regulatory body as Rogers Sugar Inc. shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;
 - (b) ~~b~~) the admission of such Shares to listing on any securities exchange on which the Shares may then be listed; and
 - (c) ~~c~~) the receipt from the Optionee of such representations, warranties, agreements and undertakings, as Rogers Sugar Inc. determines to be necessary or advisable in order to safeguard against the violation of the rules of any securities exchange and the securities laws of any jurisdiction.

In this connection Rogers Sugar Inc. shall, to the extent necessary, take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing of such Shares on any stock exchange on which the Shares are then listed.

8 ~~8~~ **Accelerated Vesting**

- 8.1 Notwithstanding any provision to the contrary in the Plan or in any resolution of the Board in implementation thereof:
- (a) ~~a~~) in the event Rogers Sugar Inc. proposes to consolidate, merge or amalgamate with any other corporation or entity (other than a wholly-owned entity) or to distribute all of its assets or to liquidate, dissolve or wind-up, or in the event an offer to purchase or repurchase the Shares of Rogers Sugar Inc. or any part thereof shall be made to all or substantially all shareholders of Rogers Sugar Inc., including, without limitation, a take-over bid (collectively, an "**Acceleration Event**"), the Board may, in their sole discretion, give notice in writing to each Optionee advising such Optionee that all Options (whether vested or unvested)

may be exercised in whole or in part by the Optionees, upon the conditions determined by the Board in its sole discretion, and any Options not so exercised shall automatically expire, provided, however, that, if the Acceleration Event is not completed, the Optioned Shares issued pursuant to the exercise of Options in accordance with this Section 8.1 (a) shall be returned by the Optionee to Rogers Sugar Inc. and reinstated as authorized unissued Shares and the terms of the Options as set forth in Section 5 hereof shall apply again to such Options;

- (b) ~~b~~) in the event of the sale by Rogers Sugar Inc. of all or substantially all of the assets of Rogers Sugar Inc. as an entirety or substantially as an entirety so that Rogers Sugar Inc. shall cease to operate as an active business, any outstanding Option may be exercised as to all or any part of the Optioned Shares in respect of which the Optionee would have been entitled to exercise the Option in accordance with the provisions of the Plan at the date of completion of any such sale at any time up to and including, but not after the earlier of: (i) the close of business on that date which is thirty (30) days following the date of completion of such sale; and (ii) the close of business on the expiration date of the Option; but the Optionee shall not be entitled to exercise the Option with respect to any other Optioned Shares;
- (c) ~~e~~) subject to the rules of any securities exchange or other governmental or regulatory body, the Board may, by resolution, advance the date on which any Option may be exercised or extend the expiration date of any Option; provided, however, (a) that an extension of the term of an Option benefiting an Insider of Rogers Sugar Inc. requires the approval of the shareholders of Rogers Sugar Inc. and (b) that the period during which an Option is exercisable does not exceed ten (10) years from the date the Option is granted. The Board shall not, in the event of any such advancement or extension, be under any obligation to advance or extend the date on or by which Options may be exercised by any other Optionee.

9 **9. Certain Adjustments**

- 9.1 In the event of any subdivision or redivision of the Shares into a greater number of Shares at any time after the grant of an Option to any Optionee and prior to the expiration of the term of such Option, Rogers Sugar Inc. shall deliver to such Optionee at the time of any subsequent exercise of his or her Option in accordance with the terms hereof, in lieu of the number of Shares to which he or she was theretofore entitled upon such exercise, but for the same aggregate consideration payable therefore, such number of Shares as such Optionee would have held as a result of such subdivision or redivision if, on the record date thereof, the Optionee had been the registered holder of the number of Shares to which he or she was theretofore entitled upon such exercise.
- 9.2 In the event of any consolidation of the Shares into a lesser number of Shares at any time after the grant of an Option to any Optionee and prior to the expiration of the term of such Option, Rogers Sugar Inc. shall deliver to such Optionee at the time of any subsequent exercise of his or her Option in accordance with the terms hereof, in lieu of the number of Shares to which he or she was theretofore entitled upon such exercise, but for the same aggregate consideration payable therefore, such number of Shares as such Optionee would have held as a result of such consolidation if, on the record date

thereof, the Optionee had been the registered holder of the number of Shares to which he or she was theretofore entitled upon such exercise.

- 9.3 If at any time after the grant of an Option to any Optionee and prior to the expiration of the term of such Option, the Shares shall be reclassified, reorganized or otherwise changed, otherwise than as specified in Sections 9.1 and 9.2 hereof or, subject to the provisions of Section 8.1 (a) hereof, Rogers Sugar Inc. shall consolidate, merge or amalgamate with or into another fund or entity (the entity resulting or continuing from such consolidation, merger or amalgamation being herein called the “**Successor Entity**”) or, Rogers Sugar Inc. shall pay a distribution in Shares (other than any distributions made pursuant to any distribution reinvestment plan or similar plan), the Optionee shall be entitled to receive upon the subsequent exercise of his or her Option in accordance with the terms hereof and shall accept in lieu of the number of Shares to which he or she was theretofore entitled upon such exercise but for the same aggregate consideration payable therefore, the aggregate number of securities of the appropriate class and/or other consideration from Rogers Sugar Inc. or the Successor Entity (as the case may be) that the Optionee would have been entitled to receive as a result of such reclassification, reorganization or other change or, subject to the provisions of Section 8.1 (a) hereof, as a result of such consolidation, merger or amalgamation, or distribution in Shares, if on the record date of such reclassification, reorganization, other change or distribution in Shares, or the effective date of such consolidation, merger or amalgamation, as the case may be, he or she had been the registered holder of the number of Shares to which he or she was theretofore entitled upon such exercise.

10 ~~10~~ **Amendment or Discontinuance of the Plan**

- 10.1 The Board may, subject to the prior approval of, or acceptance by, any securities exchange on which the Shares are listed and posted for trading and any other governmental or regulatory body, amend the Plan at any time without notice or approval from the shareholders of Rogers Sugar Inc. or any any Optionee, for any purpose whatsoever, including, without limitation for the purpose of:
- (a) amendments of a “housekeeping” nature, which include, without limitation, amendments to ensure continued compliance with applicable laws, regulations, rules or policies of any regulatory authority and amendments to remove ambiguity or to correct or supplement any provision contained in the Plan which may be incorrect or incompatible with any other provision of the Plan;
 - (b) a change to the vesting provisions of an Option; or
 - (c) a change to the termination provisions of an Option which does not entail an extension beyond the original expiration date.
- 10.2 ~~10.1~~ Notwithstanding Section 10.1 hereof, (i) a reduction in the Option Price benefitting an insider of the Corporation, (ii) an extension of the expiration date of an outstanding Option benefitting an insider of the Corporation, (iii) any amendment to remove or to exceed the insider participation limits specified in Sections 4.1(b) ~~and~~, 4.1(c) and 4.1(d), (iv) any amendment which would permit options to be transferable or assignable other than for normal estate settlement purposes and other than as specified in Section 5.6 hereof, or (v) any amendment to Sections 10.1 or 10.2 hereof so as to increase the

ability of the Board to amend the Plan without shareholder approval, may not be made without the approval of the shareholders of Rogers Sugar Inc. (excluding the votes of securities held directly or indirectly by insiders benefitting from the amendment), provided that an adjustment to the Option price pursuant to Section 9 hereof subject to any applicable regulatory requirements, shall not require approval of shareholders of Rogers Sugar Inc.

10.3 ~~10.3~~ Notwithstanding the provisions of this Section 10, should changes be required to the Plan by any securities exchange or other governmental or regulatory body of any jurisdiction to which the Plan or Rogers Sugar Inc. now is or hereafter becomes subject, such changes shall be made to the Plan as are necessary to conform with such requirements and, if such changes are approved by the Board, the Plan, as amended, shall be filed with the records of Rogers Sugar Inc. and shall remain in full force and effect in its amended form as of and from the date of its adoption by the Board. In such event, all outstanding Options shall be automatically amended to the extent required to respect the terms and provisions of the Plan as so amended.

11 ~~11~~ **Miscellaneous Provisions**

- 11.1 An Optionee shall not have any rights as a shareholder of Rogers Sugar Inc. with respect to any of the Shares subject to such Option until the date of issuance of a certificate for Shares upon the exercise of any particular Option by Optionee, in full or in part, and then only with respect to the Shares represented by such certificate or certificates. Without in any way limiting the generality of the foregoing and subject to the provisions of Section 9 hereof, no adjustment shall be made for distributions or other rights for which the record date is prior to the date such Share certificate is issued.
- 11.2 Nothing in the Plan or any Option or agreement in respect thereof shall confer upon an Optionee any right to continue in the employ of the Corporate Group, or affect in any way the right of the Corporate Group to terminate his or her employment at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporate Group to extend the employment of any Optionee beyond the time which he or she would normally be retired pursuant to the provisions of any present or future retirement plan or policy of Rogers Sugar Inc. or any present or future retirement plan or policy of the Corporate Group, or beyond the time at which he or she would otherwise be retired pursuant to the provisions of any contract of employment with the Corporate Group.
- 11.3 For greater certainty, where any reference is made in the Plan to an act to be performed by Rogers Sugar Inc. or to rights of Rogers Sugar Inc., such reference shall be construed and applied for all purposes as if it referred to an act to be performed by the Board on behalf of Rogers Sugar Inc. or by some other person duly authorized to do so by the Board or pursuant to the provisions hereof, or to the rights of the Board, in its capacity as Board of Rogers Sugar Inc., as the case may be.
- 11.4 The obligations of Rogers Sugar Inc. hereunder are not personally binding upon any director of the Board, any registered or beneficial holder of Shares of Rogers Sugar Inc. or any annuitant under a plan of which a registered or beneficial holder of Shares of Rogers Sugar Inc. acts as trustee or carrier, and resort shall not be had to, nor shall recourse or satisfaction be sought from, any of the foregoing (including, without

limitation, their private property) for any liability whatsoever, in delict, tort, contract or otherwise, but the property of Rogers Sugar Inc. only shall be bound by such obligations. Any obligation of Rogers Sugar Inc. set out in the Plan shall to the extent necessary to give effect to such obligation be deemed to constitute, subject to the provisions of the previous sentence, an obligation of the Board in its capacity as Board of Rogers Sugar Inc.

- 11.5 Rogers Sugar Inc. shall assume no responsibility as regards the tax consequences that participation in the Plan will have for Eligible Persons, and such Eligible Persons are urged to consult with their tax advisors in such regard.
- 11.6 Rogers Sugar Inc. may deduct from any payment under the Plan any applicable withholding taxes and deductions at source on such terms as the Board or Rogers Sugar Inc. determines.

12 ~~12~~. **Governing Law**

- 12.1 The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

13 ~~13~~. **Effective Date**

- 13.1 The effective date of this Plan shall be November ~~1825~~, ~~2014~~ 2020.