

**GOVERNANCE GUIDELINES**

The term "**Company**" refers to Rogers Sugar Inc., the term "**Board**" refers to the board of directors of the Company and the term "**Administrator**" refers to Lantic Inc. in its capacity as administrator of the Company pursuant to the **Administration Agreement**.

**INTRODUCTION**

The Board is committed to maintaining a high standard of corporate governance. The Board has responsibility for the overall stewardship of the affairs of the Company and discharges such responsibility by reviewing and discussing the Company's investments, and in particular, the Company's interest in Lantic Inc., and of its subsidiaries and, as an investor, and to the extent it has authority to do so, monitoring the stewardship of Lantic Inc., and its subsidiaries by their respective boards of directors.

The Board has adopted the following guidelines to assist it in its governance responsibilities.

**A. BOARD RESPONSIBILITIES**

**1. Board Mandate**

The Board has responsibility for the stewardship of the Company 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 Company's investments, management of the Board, monitoring of the Company's financial performance, financial reporting, financial risk management and oversight of policies and procedures, communications and reporting and compliance.

**2. Strategy**

The Board has retained responsibility for the development and implementation of long-term strategy for the Company. The Board will approve, on at least an annual basis, a strategic plan that takes into account, among other things, the opportunities and risks of the Company's affairs and its investments.

**3. Board Communication with Stakeholders**

The Board has reviewed and approved a Disclosure Policy for the Company. The Board believes it is the function of the Chief Executive Officer (the "**CEO**") and/or the Chief Financial Officer, the Vice-President, Finance and Secretary or any other individual performing similar functions (the "**CFO**") of the Administrator, in conjunction with the Chair of the Board (the "**Chair**") to oversee the Company's disclosure practices. The official spokespersons for the Company in its communications with the investment community, the media, governments and the general public are the CEO and the CFO of the Company. It is understood that individual directors may from time to time be requested by the CEO or the CFO to assist with such communications. If communications from stakeholders are made to individual directors, the CEO will be informed and consulted to determine any appropriate response.

**4. Governance**

The Environmental, Social and Governance Committee (**the "ESG Committee"**) is responsible for developing and recommending improvements to these governance guidelines for implementation by the Board.

**B. BOARD ORGANIZATION AND MEMBERSHIP**

**1. Selection of Chair of the Board**

The Chair shall be appointed by the Board after consideration of the recommendation of the ESG Committee. The Board has approved and periodically will review a position description for the Chair. The ESG Committee shall also recommend annually, an alternate Chair in the event of an emergency or the retirement of the Chair.

**2. Board Size**

The Company will have three to seven directors.

**GOVERNANCE GUIDELINES**

**3. Mix of Directors**

At all times a majority of the directors shall be independent directors. No employee of the Administrator, Lantic Inc. shall be a director except in the case of the nominee of Belkorp Industries Inc. pursuant to the Governance Agreement.

**4. Independence of Directors**

The Board has determined that an "independent director" means a director who is:

- (a) an "**Independent Nominee**" (as defined in the **Company Governance Agreement**);
- (b) not be an insider of Belkorp Industries Inc.;
- (c) free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with a view to the best interests of the Company, other than interests and relationships arising from shareholdings in the Company; and
- (d) qualify as an "independent" director in accordance with the definition of "independent" or "independent director" under applicable securities laws and the rules of any stock exchange on which the Company's shares are listed for trading.

However, the fact that a director is also a director of Lantic Inc. or any of their subsidiaries shall not disqualify such director from being considered to be an "independent director" of the Company if such director would otherwise meet the above criteria.

The Board will annually review the report of the ESG Committee on its review of the independence of each of the independent directors.

**5. Principal Occupation Changes by Directors**

An independent director who makes a major change in principal occupation shall inform the Board.

**6. Term Limits for Directors**

The Board has determined that fixed term limits for directors should not be established. The Board is of the view that such a policy would have the effect of forcing directors off the Board who have developed, over a period of service, increased insight into the Company and who, therefore, can be expected to provide an increasing contribution to the Board. At the same time, the Board recognizes the value of some turnover in Board membership to provide on-going input of fresh ideas and views and the ESG Committee is mandated to annually consider recommending changes to the composition of the Board.

**7. Retirement Age for Directors**

The policy of the Board is that no person who was not a Director at the time of the adoption of these governance guidelines shall be appointed or elected as a Director if the person exceeds 75 years of age. The policy allows for an exception where the Board determines it is in the interest of the Company to request a Director to extend his term beyond the regular retirement age, provided however that such extension is requested in one-year increments.

**GOVERNANCE GUIDELINES**

**8. Criteria for Board Membership**

The ESG 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 directors nominated by Belcorp Industries Inc. pursuant to the Governance Agreement. The objective of this review will be 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 personal qualities to provide for the overall stewardship of the Company. This review will take into account the desirability of maintaining a reasonable diversity of background, competencies, skills, education and experience and personal qualities including age, gender, ethnicity and geography among Directors.

**9. Selection of New Director Candidates**

The ESG Committee is mandated to recruit and consider director candidates and to make recommendations to the Board. In so doing, the ESG Committee will consider, in addition to any other factors it deems relevant: (i) the competencies, skills and personal qualities enumerated in paragraph 8 above that the Board considers to be necessary for the Board, as a whole to possess; (ii) the competencies, skills and personal qualities enumerated in paragraph 8 above that the Board considers each existing director to possess; and (iii) the competencies, skills and personal qualities enumerated in paragraph 8 above each nominee will bring to the Board. Directors are encouraged to identify potential candidates. The Chair shall be consulted and have 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.

**10. Director Orientation and Education**

The ESG 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 objective 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 (including, in particular) the commitment of time and resources that the Company expects from its directors) and understand the nature and operation of the Company's affairs. Continuing education opportunities will be directed at enabling individual directors to maintain or enhance their skills and abilities as directors, as well as ensuring their knowledge and understanding of the Company's affairs remains current.

**C. BOARD COMMITTEES AND TERMS OF REFERENCE**

**1. Board Committees**

The Board has determined that there should be three Board Committees: (i) the Audit Committee (ii) the ESG Committee and (iii) the Human Resources and Compensation Committee. From time to time, an ad-hoc committee may be added as required. This structure may change as the Board considers from time to time which of its responsibilities can best be fulfilled through detailed review of matters in committee. Each committee shall operate according to a Board-approved written charter outlining its duties and responsibilities.

The responsibilities of the Audit Committee include oversight of the external auditors of the Company and the monitoring of audits, review of accounting principles and practices, monitoring of the Company's internal controls, communications with others respecting the Company's financial reporting matters and monitoring of the Company's financial disclosures.

The responsibilities of the ESG Committee include oversight with respect to Board composition and director nominations, governance, business and ethical conduct, director orientation and continuing education, Board evaluations, Board operations, committee composition and Board independence and review for approval by the Board of Environmental, Social and Governance strategy, policy and public reporting.

In addition to the three Board Committees, the Board fulfills its oversight responsibilities with the assistance of the Human Resources and Compensation Committee of Lantic Inc. (the "**Lantic HRCC Committee**"). The Lantic HRCC Committee has the responsibility of evaluating and making recommendations regarding human resource and

**GOVERNANCE GUIDELINES**

compensation matters in connection with Lantic, Inc. Pursuant to the charter of the Lantic HRCC Committee, the majority of the members of the Lantic HRCC Committee shall qualify as "independent" directors under applicable securities laws.

**2. Membership of Committees**

The Board has determined that the Audit Committee, the ESG Committee and the Human Resources and Compensation Committee should be composed entirely of independent directors. In addition, all members of the Audit Committee shall be financially literate. The Board shall periodically review and approve the meaning of "financially literate" in accordance with requirements or guidelines for audit committee service under applicable securities laws and the rules of any stock exchange on which the Company's shares are listed for trading.

After receipt of recommendations from the Nominating and Governance Committee, the Board shall appoint the members of the committees annually, and as necessary to fill vacancies, and generally shall appoint the chair of each committee. Members of the committees shall hold office at the pleasure of the Board.

**3. Oversight of Committee Functions**

The purpose of Board committees is to assist the Board in discharging its responsibilities. Notwithstanding the delegation of responsibilities to a Board committee, the Board is ultimately responsible for matters assigned to the committees for determination. Except as may be explicitly provided in the charter of the committee or a resolution of the Board, the role of the Board committee is to review and make recommendations to the Board with respect to the approval of matters considered by the committee.

**D. BOARD MEETINGS AND MATERIALS**

**1. Meeting Agendas**

The Chair will oversee the development of the agenda for each Board meeting.

**2. Meeting Materials**

Meeting materials shall be provided to directors before each Board meeting in sufficient time to ensure adequate opportunity exists for review. It is recognized that under some circumstances, due to the confidential nature of matters to be discussed at a meeting, it would not be prudent or appropriate to distribute written materials in advance.

**3. Non-Directors at Board Meetings**

Board meetings are held jointly with meetings of the boards of directors of Lantic Inc. Meetings of the directors are held by way of in camera sessions and separate meetings of directors as the directors determine appropriate.

The Board also believes there is value in having certain members of management of the Administrator attend each Board meeting to provide information and opinion to assist the directors in their deliberations. Attendance by management of the Administrator shall be determined by the Chair. Management attendees will be excused for any agenda items that are reserved for discussion among directors only.

**4. In Camera Sessions of 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 shall have an opportunity to meet at least annually without any members of the Board who are not independent and without management of the Administrator present.

**GOVERNANCE GUIDELINES**

**E. DIRECTOR COMPENSATION**

**1. Director Compensation**

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 ESG Committee is mandated to review the compensation of the directors on this basis annually. The Committee review will include consideration of all forms of compensation that a director receives, directly or indirectly, including consulting contracts. If required, the Committee can delegate to the HRCC the detail analysis of the Director compensation. Despite the possibility of delegation to the HRCC, it remains the responsibility of the ESG Committee to recommend to the Board for approval any modification of the Director's compensation.

**F. BOARD'S RELATIONSHIP WITH THE ADMINISTRATOR**

**1. Board Relationship with the Administrator**

The ESG Committee will review and assess the Board's relationship to the Administrator and its senior management.

**2. Limits to Authority of the Administrator**

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.

**3. Evaluation of the Administrator**

The ESG Committee will as determined appropriate conduct a periodic review of the services provided by the Administrator and the Administrator's compliance with the Administration Agreement and will make recommendations to the Board for any changes to the terms of the Administration Agreement or the services being provided thereunder or with respect to any change in the Administrator.

**4. Director Access to Management**

All directors shall have open access to the management of the Administrator for relevant information for purposes of enabling the Company to fully comply with its legal and other regulatory obligations and to allow the directors to fulfill their duties. Written communications from directors to management of the Administrator will be copied to the Chair of the Board.

**G. DIRECTOR RESPONSIBILITIES AND PERFORMANCE**

**1. Director Responsibilities**

Directors are expected to use their skill and experience to provide oversight to the affairs of the Company. Directors have a duty to act honestly and in good faith with a view to the best interests of the Company and to exercise the care, diligence and skill that a reasonably prudent person would in comparable circumstances.

Directors are generally expected to attend all Board and committee meetings in person. It is acceptable for directors to participate in such meetings by conference call if attendance in person is not possible. A director will endeavour to notify the Chair of the Board or committee in the event the director will not be able to attend or participate in a meeting.

Directors are expected to review and be familiar with Board and committee materials that have been provided in sufficient time for review prior to a meeting. Directors are to advise the Board or committee Chair of matters that they believe should be added to a meeting agenda.

**GOVERNANCE GUIDELINES**

**2. Outside Advisors for Individual Directors**

The Board has determined that any director who wishes to engage a non-management advisor to assist on matters involving the director's responsibilities as a director at the expense of the Company should review the request with, and obtain the authorization of the Chair of the Board, or in the case of a request by the Chair of the Board, the Chair of the ESG Committee.

**3. Assessment of Board and Individual Director Performance**

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 Belcorp Industries Inc. pursuant to the Company Governance Agreement, and reporting on such assessments to the Board. The ESG Committee may hire an outside consulting firm to perform the Board effectiveness survey from time to time at the expense of the Company and such expense shall be approved by the Chair of the ESG Committee.

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 ESG 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, skills and personal qualities each individual director is expected to bring to the Board.

**H. ETHICS AND CONFLICTS OF INTEREST**

The Board expects directors to act ethically at all times and to acknowledge their adherence to the policies comprising the Code of Business Conduct for the Company (the "**Code**"). The Board is responsible for monitoring compliance with the Code. Any waivers from the Code that are granted for the benefit of a director or an executive officer (if any) of the Company may be granted only by the Board. The Company will comply with any public disclosure obligations with respect to the granting of waivers or any material departures from the Code.

Directors shall disclose all actual or potential conflicts of interest and refrain from voting on matters in which the director has a conflict of interest. In addition, the director shall 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.