

**COMPENSATION AND CORPORATE GOVERNANCE  
CHARTER  
for  
CHEMTRADE LOGISTICS INCOME FUND**

**I. GENERAL MANDATE**

1. The Compensation and Corporate Governance Committee (the “**Committee**”) is a standing committee of the Board of Trustees (the “**Board**” or the “**Trustees**”) of Chemtrade Logistics Income Fund (the “**Fund**”).
2. The Committee shall provide assistance to the Board in fulfilling its oversight responsibilities relating to:
  - (a) developing and retaining key senior management employees, including the Chief Executive Officer (“**CEO**”), who have the skills and expertise needed to enable the Fund to achieve its goals and strategies at fair and competitive compensation and appropriate performance incentives;
  - (b) reviewing the disclosure relating to executive compensation and corporate governance contained in the Fund’s annual proxy circular, and preparing any necessary reports, all in accordance with applicable rules and regulations;
  - (c) overseeing and assessing the functioning of the Board and the committees of the Board;
  - (d) developing, recommending to the Board, implementing and assessing effective corporate governance principles;
  - (e) identifying candidates for Trustee and recommending to the Board any changes to the incumbent slate with respect to the Trustee nominees for election to the Board at the Annual General Meeting of unitholders;
  - (f) overseeing the Fund’s human resources and culture strategy and its alignment with the Fund’s strategy including with respect to diversity and inclusion and employee well-being; and
  - (g) reviewing those aspects of the environmental, social and governance (“**ESG**”) framework relevant to the Committee’s areas of responsibility.
3. In carrying out its responsibilities, the Committee shall endeavour to maintain flexible policies and procedures in order to be able to react to changing conditions and to ensure the Board and unitholders that the executive compensation policies are in accordance with statutory requirements and appropriate in the marketplace and that the corporate governance of the Fund is in accordance with statutory requirements and sound principles.

## II. COMPOSITION, ORGANIZATION AND PROCEDURES

1. *Composition* - The Committee shall consist of at least three Trustees.
2. *Independence* – Each of the Committee members shall be non-management and shall be free from any relationship that, in the opinion of the Board or Committee members, would interfere with his/her independent judgment as a member of the Committee. Each of the Committee members shall comply with any applicable securities laws or stock exchange rules for independence or relatedness.
3. *Quorum* - A quorum shall consist of a majority of the members.
4. *Delegation* - The Committee may form and delegate authority to subcommittees if deemed appropriate by the Committee.
5. *Meetings* - In accordance with the Declaration of Trust, proper notice of meetings shall be given and meetings may be held by telephone or other communication facilities that permit all persons participating in the meeting to speak and hear each other. The Chair of the Committee will determine both the agenda for the meeting and the material to be circulated by management to the Committee.
6. *Meetings without Management* – The Committee shall meet periodically without management present.
7. *Frequency of Meetings* – The Committee shall meet at least two times per year and more often as warranted.
8. *Reporting to the Board* – The Committee shall report through the Committee Chair to the Board following meetings of the Committee in respect of matters considered by the Committee, its activities and compliance with this Charter.
9. *Professional Assistance* - The Committee may engage such legal, accounting, financial, compensation or other consultants as the Committee may deem appropriate, at the Fund's expense including sole authority to retain and terminate any executive compensation consulting firm or search firm to be used to identify candidates for Trustee or Designated Employee positions and to approve any such firms' fees and other retention terms.

## III. RESPONSIBILITIES

The specific responsibilities of the Committee are set out below.

### A. Compensation

1. *Trustee Compensation* - Periodically, the Committee shall review and recommend to the Board the terms for the compensation of the Trustees, the Chair of the Board and those acting as committee chairs that adequately reflect the responsibilities they are assuming.
2. *CEO Performance Evaluation* - On an annual basis, the Committee shall review the position description of the CEO, review and recommend to the Board

acceptance of the CEO's annual performance goals and criteria, evaluate the CEO's performance against such position description and applicable performance goals and criteria.

3. *CEO Compensation* – On an annual basis, the Committee shall review, assess the competitiveness and appropriateness of, and recommend to the Board the compensation package of the CEO.
4. *Designated Employees* – On an annual basis, in fulfillment of the Fund's role of oversight of the operating companies, the Committee shall review the CEO's evaluation of the performance of senior officers of the Fund and its subsidiaries (the "**Organization**") who report directly to the CEO and such other employees of the Organization as may be identified by the Committee (collectively, the "**Designated Employees**") and review the CEO's recommendations with respect to the appropriateness of the compensation package to be provided to the Designated Employees and approve the Designated Employees' compensation packages.
5. *Employment Arrangements* - The Committee shall review and approve any employment contracts or arrangements with the CEO or, at the Committee's request, with any Designated Employee, including any retiring allowance arrangements, severance payments or any similar arrangements to take effect in the event of a termination of employment and any change of control agreements.
6. *Compensation Policies* - The Committee shall review and recommend to the Board any changes to compensation policies and processes (including incentive compensation and equity compensation plans) of the Organization and in particular, the compensation policies, processes and plans respecting the CEO and the Designated Employees.
7. *Compensation Risk* – The Committee shall assess the impact of compensation programs on risk-taking, to ensure programs are consistent with the Fund's longer-term goals and prudent risk-taking and to avoid promoting excessive risk-taking in light of the Fund's risk tolerance.
8. *Reporting Requirements* – The Committee shall review (or prepare, if required) and approve disclosure relating to executive compensation contained in the Fund's annual proxy circular or other public documents, all in accordance with applicable rules and regulations.

## **B. Corporate Governance**

1. *Governance Practices* – On an annual basis or more frequently as required, the Committee shall review the Fund's approach to governance issues and make such recommendations as appropriate. This review may be held in conjunction with the annual Board performance evaluation.
2. *Code of Conduct* – Periodically, the Committee shall review the Organization's Code of Conduct and shall review management's procedures for monitoring compliance with such Code.

3. *Board Competencies* – The Committee shall develop a set of competencies which members of the Board, collectively, should possess and periodically the Committee shall review and amend the set of competencies, as appropriate.
4. *Trustee Nomination* – The Committee shall identify and recommend to the Board qualified candidates in the event of a Trustee vacancy on the Board and shall recommend to the Board any changes to the incumbent slate with respect to the Trustee nominees for election to the Board at the Annual General Meeting.
5. *Trustee Orientation and Continuing Education* - The Committee shall oversee an orientation program to familiarise new Trustees with the Organization’s business and operations. The Committee shall also oversee ongoing educational opportunities for all Trustees.
6. *Committee Membership* – Upon a vacancy occurring at any time in the membership of any Board committee, the Committee shall recommend to the Board a suitable Trustee or other individual to fill such vacancy.
7. *Succession Planning* – Periodically, the Committee shall review with the Chair of the Board and the CEO (a) the succession plans relating to the position of the CEO and make recommendations to the Board with respect to the selection of an individual to occupy this position; and (b) the plans in respect of an unexpected incapacitation of the CEO.
8. *Performance Evaluation* – On an annual basis, the Committee shall evaluate the performance of the Board and its committees through the means of a Committee-level review, a Trustee survey and a 360 degree review or such other process as it deems appropriate and shall make recommendations to the Board. The evaluation shall cover the following topics:
  - (a) *Operations of Board and Committees* - the Committee shall review the rules and guidelines governing and regulating the affairs of the Board, including:
    - (i) the frequency and location of Board and committee meetings;
    - (ii) procedures for establishing meeting agendas and the conduct of meetings; and
    - (iii) the availability, relevance and timeliness of discussion papers, reports and other information required by the Board.
  - (b) *Board Composition* – the Committee shall review:
    - (i) the size of the Board and its committees;
    - (ii) standards to be applied in making determinations as to the presence or absence of material relationships between a Trustee and the Organization and the compliance with such standards;

- (iii) the competencies, skills and personal qualities required of Trustees in order to add value to the Organization, in light of the opportunities and risks facing the Organization and the Organization's proposed strategy;
- (iv) the competencies, skills and personal qualities of the existing Trustees and the contributions made by them to the effective operation of the Board, having regard to the position descriptions for the Chair, the results of the Board self-assessment, Board and committee meeting attendance and overall contribution;
- (v) the effectiveness of the Board as a whole and each committee of the Board, including this Committee.

The Committee's review of the Fund's approach to governance issues referred to above may be included as part of the performance evaluation.

9. *Charters and Position Descriptions* – On an annual basis, the Committee shall review the Board mandate and position description for the CEO and the Chair of the Board, and recommend changes to the Board as appropriate, as well as ensure that each committee has reviewed its respective charter and recommend changes to the Board as appropriate.
10. *Reporting Requirements* – The Committee shall supervise the preparation of disclosure relating to corporate governance contained in the Fund's annual proxy circular, annual report or other public documents, all in accordance with applicable rules and regulations.
11. *Additional Disclosure* - The disclosure relating to corporate governance referred to above shall disclose the number of Board and committee meetings held during the preceding calendar year and the attendance of individual Trustees at all meetings. The Committee shall ensure that the Board mandate and committee charters are posted on the Fund's website or otherwise made freely available to unitholders.
12. *ESG Tracking and Disclosure* – On an annual basis, the Committee shall review (a) the Organization's ESG metrics relevant to the Committee's areas of responsibility to ensure they appropriately reflect elements of significance to the business and operations of the Organization; and (b) the disclosure related thereto to ensure it is accurate and in keeping with the evolving interests of unitholders.

### **C. Additional Matters**

1. *Delegated Matters* - The Committee shall review and approve, as appropriate, any other matter specifically delegated to the Committee by the Board and undertake on behalf of the Board such other activities as may be necessary or desirable to assist the Board in fulfilling its oversight responsibilities with respect to compensation and to provide effective corporate governance for the Fund and contribute to the success of the Organization and enhance unitholder value.

2. *Engagement* - The Committee shall keep abreast of compensation and corporate governance trends and consider proactive engagement with investors and others to assist in explaining disclosure.

**D. Committee and Charter Assessment**

1. *Performance Assessment* - On an annual basis, the Committee shall follow the process established by the Trustees and overseen by this Committee for assessing the performance of the Committee.
2. The Committee shall review and assess the adequacy of the Committee Charter annually and recommend to the Board any changes it deems appropriate.