



**AUDIT COMMITTEE CHARTER
for
CHEMTRADE LOGISTICS INCOME FUND**

I. GENERAL MANDATE

1. The Audit 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 to unitholders, regulators and the investment community relating to:
 - (a) the quality and integrity of the Fund’s financial statements and financial reporting process;
 - (b) the qualifications, performance and independence of the external auditor (the “**Auditor**”);
 - (c) the Fund’s compliance with legal and regulatory requirements to the extent that such requirements are relevant to the integrity of the Fund’s financial statements;
 - (d) the identification, assessment and management of risks relevant to the Committee’s areas of responsibility; and
 - (e) reviewing those aspects of the environmental, social and governance (“**ESG**”) framework relevant to the Committee’s areas of responsibility.
3. The Committee shall maintain free and open means of communication between the Trustees, the Auditor and the management (“**Management**”) of the Fund and its subsidiaries (the “**Organization**”).
4. 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 corporate accounting and financial reporting practices of the Fund are in accordance with all statutory requirements and of the highest quality.

II. COMPOSITION, ORGANIZATION AND PROCEDURES

5. *Composition* - The Committee shall consist of at least three Trustees.
6. *Independence* – Each of the Committee members shall be “**independent**” (as such term is defined from time to time under the requirements or guidelines for audit committee service under applicable securities laws and the rules of any stock exchange on which the Fund’s securities are listed for trading) and none of the members shall have participated in the preparation of financial

statements of the Fund or any of the Fund's current subsidiaries at any time over the past three years.

7. *Financial Literacy* – Each member of the Committee shall be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the Committee. **“Financially literate”** means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Fund's financial statements. Each member of the Committee must meet any other standards required by applicable securities laws or stock exchange rules.
8. *Quorum* - A quorum shall consist of a majority of the members.
9. *Delegation* - The Committee may form and delegate authority to subcommittees if deemed appropriate by the Committee.
10. *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.
11. *Separate Executive Meetings* – The Committee, or a representative thereof, shall meet periodically (at least annually) with the Chief Financial Officer (**“CFO”**) and the Auditor in separate executive sessions. Items to be discussed include the Auditor's evaluation of financial and accounting personnel, the extent of cooperation that the Auditor received during the course of the audit, as well as any matters the Committee or each of these groups believes should be discussed privately and such persons shall have access to the Committee to bring forward matters requiring its attention. The Committee shall also meet periodically without Management present.
12. *Frequency of Meetings* – The Committee shall meet at least four times per year in order to review the quarterly and annual financial statements.
13. *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.
14. *Professional Assistance* - The Committee may engage such legal, accounting, financial, or other consultants as the Committee may deem appropriate, in its sole discretion, at the Fund's expense and may set and pay the compensation for any consultants employed by the Committee. The Committee shall not be required to obtain the approval of the Trustees in order to retain or compensate such consultants or advisors. The Committee may require the Auditor to perform such supplemental reviews or audits as the Committee may deem desirable.

III. RESPONSIBILITIES

The specific responsibilities of the Committee are set out below.



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A. Financial Statement Integrity

15. *Financial Statement Review* - The Committee shall review and discuss with Management and the Auditor the Fund's unaudited interim and audited annual financial statements and related Management's Discussion and Analysis ("**MD&A**"), together with (in the case of audited annual financial statements) the report of the Auditor thereon and, if appropriate, recommend to the Board that it approve such statements and related MD&A prior to their release to the public.
16. *Meeting with Auditor & Management*- As part of each meeting at which the Committee recommends that the Trustees approve the annual audited financial statements or the quarterly financial statements, the Committee shall meet separately with the Auditor and with Management.
17. *Other Material Financial Disclosure* - The Committee shall discuss with Management and the Auditor any other material financial disclosure that may be released by the Fund, including:
 - (a) the types of information to be disclosed and the type of presentation to be made in connection with earnings news releases;
 - (b) news releases containing financial information especially in respect of any use of information which is not expressed as required by the accounting standards adopted by the Fund (non-GAAP or non-IFRS); and
 - (c) ESG or other sustainability-related disclosure containing disclosed metrics, information and/or linkages to the financial statements, and the internal control procedures related thereto.

The Committee shall, if appropriate, recommend to the Board that it approve any such financial disclosure prior to its release to the public.

The Committee must be satisfied that adequate procedures are in place for the review of the Fund's public disclosure of financial information, including financial information that is extracted or derived from the Fund's financial statements and shall periodically assess the adequacy of those procedures.

18. The Committee shall review and discuss with Management and the Auditor:
 - (a) *Accounting Presentation* - major issues regarding accounting principles and financial statement presentation, including any significant changes in the Fund's selection or application of accounting principles and major issues as to the adequacy of the internal controls of the Organization and any special audit steps adopted in light of material control deficiencies;
 - (b) *Analyses* - analyses prepared by Management and/or the Auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of accounting policy choices on the financial statements;



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- (c) *Off-Balance Sheet Structures* - the effect of regulatory and accounting initiatives, as well as off-balance sheet structures (Special Purpose Entities) on the Fund's financial statements; and
- (d) *Certification* - Management certification of the financial statements as required by applicable securities laws in Canada or otherwise.

B. Auditor Appointment, Qualifications, Independence and Performance

- 19. *Oversight of Auditor* - The Committee shall be responsible for the appointment, compensation and oversight of the work of the Auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Fund.
- 20. In the discharge of this responsibility, the Committee shall:
 - (a) *Choice of Audit Firm* - have sole responsibility for recommending to the Board (i) the audit firm to be proposed to the Fund's unitholders for appointment as Auditor at the Annual General Meeting; and (ii) that the Trustees should recommend to the Fund's unitholders that the incumbent Auditor be removed from office at any time;
 - (b) *Auditor's Engagement* – on an annual basis, review the terms of the Auditor's engagement, including the function generally, the objectives, staffing, reliance upon Management and general audit approach and scope of proposed audits of the financial statements of the Organization, the overall audit plans, the responsibilities of Management and of the Auditor, the audit procedures to be used and the timing and estimated budgets of the audits;
 - (c) *Auditor's Fees* - discuss the audit fees with the Auditor and be solely responsible for approving such fees; and
 - (d) *Auditor Accountable to Trustees* - require the Auditor to confirm in its engagement letter each year that the Auditor is accountable to the Trustees and Committee as representatives of unitholders.
- 21. *Auditor Independence* - The Committee shall satisfy itself as to the independence of the Auditor. In the discharge of this responsibility the Committee shall:
 - (a) assure the regular rotation of the engagement audit partner as required by law and consider whether, in order to ensure continuing independence of the Auditor, the audit firm that serves as Auditor should be rotated periodically;
 - (b) ensure that any non-audit services performed by the Auditor for the Organization are not of such a quantity or quality as to impact the objectivity and independence of the Auditor;
 - (c) follow a policy that the Organization shall not hire partners or employees or former partners or employees of the Fund's current or former Auditor who have worked on matters for the Organization until such time as a period of two years has passed since the partner or employee last worked on matters for the Organization, unless a waiver is



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granted by the Committee after obtaining appropriate evidence that the Auditor's independence is unlikely to be compromised in the circumstances; and

- (d) follow a policy that the Organization shall obtain confirmation of the Auditor's independence when hiring any current or former partner, employee or consultant of the Auditor.
- 22. *Conduct of Audit*- The Committee shall review any problems experienced by the Auditor in conducting the audit, including any restrictions on the scope of the Auditor's activities or access to requested information. It shall review any significant disagreements with Management and, to the extent possible, resolve any disagreements between Management and the Auditor.
- 23. *Material Audit Issues* - The Committee shall review with the Auditor any accounting adjustments that were proposed by the Auditor, but were not made by Management, any material auditing or accounting issues, and any Management or internal control letter issued, or proposed to be issued by the Auditor to the Fund.
- 24. *Non-Audit Services* - The Committee shall either pre-approve any non-audit services provided by the Auditor to the Organization, or adopt specific policies and procedures for the engagement of non-audit services, provided that such pre-approved services and procedures are detailed as to the particular service, the Committee is informed of each non-audit service and the procedures do not include delegation of the Committee's responsibilities to Management.
- 25. *Delegation re Non-Audit Services* - The Committee may delegate to one or more members of the Committee the authority to pre-approve non-audit services in satisfaction of the requirement in the previous section, provided that such member or members must present any non-audit services to the full Committee at its first scheduled meeting following such pre-approval.
- 26. *Non-Recognition* - The Committee shall instruct Management to promptly bring to its attention any services provided by the Auditor which were not recognized by the Organization at the time of the engagement as being non-audit services.
- 27. *Assessment of Auditor* – As part of its external auditor oversight responsibilities, together with Management, the Committee shall conduct an annual assessment of the auditors and at least every five (5) years, a comprehensive assessment of the auditors, as recommended by the Canadian Public Accountability Board ("CPAB"), and present its conclusions to the Board. In connection with the evaluation, the Committee shall review and evaluate the performance of the engagement partner of the Auditor and obtain the opinions of Management with respect to the performance of the Auditor. The Committee may also obtain and review a report by the Auditor describing:
 - (a) the Auditor's internal quality-control procedures;
 - (b) all relationships between the Auditor and the Organization (for the purposes of assessing the Auditor's independence); and



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- (c) in accordance with the protocol established by CPAB, if CPAB has inspected the Auditor's file during the year, the Auditor will provide the Committee with a copy of the significant inspection findings information as prepared by CPAB, including the audit firm response to such findings.
- 28. *Management Interaction with Auditor* –The Committee shall review Management's evaluation of the Auditor's audit performance on an annual basis; and shall review as necessary Management's response to and subsequent follow-up on any weaknesses identified by the Auditor and Management's response to significant internal control recommendations of the Auditor.

C. Internal Audit Function

- 29. *Internal Audit Function* - The Committee shall oversee Management's engagement of an internal auditor or internal controls function.
- 30. *Internal Audit Reporting* - The Committee shall receive regular reports from the internal auditor or internal controls function regarding the yearly internal audit plan and testing, recommendations and the extent to which Management has implemented such recommendations. The internal auditor or internal controls function shall have a direct line of communication to the Committee Chair.

D. Compliance with Legal and Regulatory Requirements

- 31. *Financial Reporting* - The Committee shall confirm with the Auditor that the Organization's financial reporting is in compliance with all current regulatory reporting requirements.
- 32. *Related Party Transactions* – The Committee shall review all related party transactions in which the Organization is involved or which the Organization proposes to enter into and shall make such recommendations as may be appropriate. The Committee shall review financial statement disclosure with respect to any related party transactions.
- 33. *Complaints and Hotline* - The Committee shall establish procedures for the receipt, retention and treatment of (a) complaints received by the Board or the Organization regarding accounting, internal accounting controls or auditing matters; and (b) confidential, anonymous submissions by employees of the Organization of concerns regarding questionable accounting or auditing matters, and shall review such procedures periodically.
- 34. *Public Disclosure* – The Committee shall review all disclosure relating to the Committee in the Fund's annual public disclosure documents.

E. Oversight of Risk Management

- 35. *Enterprise Risk* - The Committee shall oversee Management's handling of those enterprise risks relevant to the Committee's areas of responsibility, including those risks assigned to it by the Governance and Nominating Committee.



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36. *Financial Risks* - The Committee shall receive regular reports from Management and receive comments from the Auditor on the Organization's principal financial risks (including financial guarantees and commitments), the systems implemented to monitor those risks and the strategies (including internal control systems and hedging strategies) in place to manage those risks. The Committee shall recommend to the Board whether any new material strategies presented by Management should be considered appropriate and approved.
37. *Cybersecurity Risks* – The Committee shall receive regular reports from Management on the systems and procedures in place to assess, monitor and mitigate the security risks of unauthorized access to the Organization's informational technology infrastructure or its operational technology infrastructure.
38. *Insurance* – Periodically, the Committee shall review the Organization's insurance program, with specific reference to the levels of deductibles and retentions. The Committee will review the financial stability of the insurance companies that are underwriting the Organization's insurance program.
39. *Trustee Protection* – Periodically, the Committee shall review the directors' and officers' insurance policy of the Fund and make recommendations for its renewal or amendment or the replacement of the insurer.
40. *Trustee Indemnification* - Subject to applicable laws and the Fund's Declaration of Trust, the Committee is responsible for administering all policies and practices of the Fund with respect to the indemnification of Trustees by the Fund and for approving all payments made pursuant to such policies and practices.
41. *Litigation* – The Committee shall review any outstanding litigation on a periodic basis, and Management shall keep the Committee apprised of any material litigation or disputes on a timely basis.
42. *Pension Plans* – Periodically, the Committee shall receive a report with respect to Management's oversight and the financial status of any defined benefit pension plans and Management's oversight of any defined contribution pension plans.

F. Additional Matters

43. *Finance Matters* – The Committee shall receive and review reports on various finance matters, including:
 - (a) periodic reports on compliance with requirements regarding statutory deductions and remittances;
 - (b) material policies and practices of the Fund respecting cash management and material financing strategies or policies or proposed financing arrangements and objectives of the Fund; and
 - (c) material tax policies and tax planning initiatives, tax payments and reporting and any pending tax audits or assessments.



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- 44. *CFO Appointment* – The Committee shall review and recommend to the Board for approval the CFO candidate prior to his or her appointment.
- 45. *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 financial reporting and contribute to the success of the Organization and enhance unitholder value.

G. Committee and Charter Review

- 46. *Effectiveness Evaluation* - The Committee shall follow the process established by the Trustees and overseen by the Governance and Nominating Committee for assessing the effectiveness of the Committee.
- 47. *Charter* - The Committee shall review and assess the adequacy of the Committee Charter periodically and recommend to the Board any changes it deems appropriate.

Last Reviewed - August 12, 2026



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