



*Performance Materials*

**NOTICE OF ANNUAL GENERAL & SPECIAL MEETING  
OF THE SHAREHOLDERS  
OF  
NEO PERFORMANCE MATERIALS INC.**

**- and -**

**MANAGEMENT INFORMATION CIRCULAR**

**TO BE HELD AT  
77 KING STREET WEST, SUITE 3000  
TORONTO, ONTARIO  
CANADA**

**WEDNESDAY, JUNE 19, 2024  
4:00 P.M. (TORONTO TIME)**

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**Circular dated May 10, 2024**

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**These materials are important and require your immediate attention. They require shareholders of Neo Performance Materials Inc. to make important decisions. If you are in doubt as to how to make such decisions, please contact your professional advisors. If you have any questions or require more information with regard to the procedures for voting, please contact Kingsdale Advisors, our proxy solicitation agent, by phone or text at 1-800-285-8968 toll free in North America or 1-437-561-5021 (text and call enabled outside of North America) or by email at [contactus@kingsdaleadvisors.com](mailto:contactus@kingsdaleadvisors.com).**

**NEO PERFORMANCE MATERIALS INC.**  
**NOTICE OF ANNUAL GENERAL & SPECIAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that an annual general and special meeting (the "**Meeting**") of shareholders ("**Shareholders**") of Neo Performance Materials Inc. (the "**Corporation**") will be held at 77 King Street West, Suite 3000, Toronto, Ontario, on Wednesday, June 19, 2024 at 4:00 p.m. (Toronto time) for the following purposes:

1. to receive the annual report and the financial statements for the year ended December 31, 2023 and the report of the auditors thereon;
2. to elect directors;
3. to re-appoint auditors and to authorize the directors to fix their remuneration;
4. to adopt an ordinary resolution, with or without amendment, the text of which is set out in the Circular, approving, ratifying and confirming amendments to the Omnibus LTIP (as defined herein); and
5. to transact such further and other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

This year, as described in the notice and access notification mailed to shareholders of the Corporation, the Corporation has decided to deliver the Meeting materials to shareholders by posting the Meeting materials on the following website: [www.neomaterials.com](http://www.neomaterials.com) (the "**Website**"). The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and it will also reduce the Corporation's printing and mailing costs. The Meeting materials will be available on the Website on May 14, 2024, and will remain on the Website for one full year thereafter. The Meeting materials will also be available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) under the Corporation's issuer profile.

No shareholders will receive paper copies of the Meeting materials unless they specifically request paper copies. Instead all shareholders will receive a notice and access notification which will contain information on how to obtain electronic and paper copies of the Meeting materials in advance of the Meeting. If you wish to receive a paper copy of the Meeting materials or have questions about notice-and-access please call the Corporation's transfer agent, Computershare Trust Company of Canada at 1 (866) 962-0498 or direct, from outside of North America at 1 (514) 982-8716 and entering your control number as indicated on your voting instruction form or proxy. . In order to receive a paper copy in time to vote before the Meeting, your request should be received by June 7, 2024.

A form of proxy solicited by management of the Corporation in respect of the Meeting is enclosed herewith.

The Corporation strongly encourages registered shareholders and proxyholders to vote using one of the methods described in the accompanying management information circular (the "**Circular**"). To facilitate shareholders attending the Meeting, the Meeting will be audio-cast live at 4:00 p.m. (Toronto time) on June 19, 2024 and can be accessed by conference call at (289) 819-1350 (Toronto local) or 1 (800) 836-8184 (North America toll free) or online by webcast at <https://emportal.ink/49PmI4Y>, and indicate you are dialing into the Neo Annual General and Special Shareholder Meeting. This call will be listen-only and shareholders will not be able to vote or speak at, or otherwise participate in the Meeting via the conference call.

Shareholders are requested to sign the enclosed form of proxy and return it in the envelope provided for that purpose. To be effective, the form of proxy must be received at the offices of Computershare Trust Company of Canada, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, Canada, M5J 2Y1 or via internet at [www.investorvote.com](http://www.investorvote.com) or by telephone at the toll-free number printed on the form of proxy **by not later than 4:00 p.m. (Toronto time) on Monday, June 17, 2024** or, if the Meeting is adjourned or postponed, not later than 48 hours, excluding Saturdays, Sundays or holidays, preceding the time of such adjourned or postponed Meeting, or in either case by such later date and time as the Board may determine in its sole discretion. The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting.

If you have any questions, please contact the Corporation's proxy solicitation agent, Kingsdale Advisors, by phone or text at 1-800-285-8986 toll free in North America or 1-437-561-5021 outside of North America (text and call enabled outside North America), or by email at [contactus@kingsdaleadvisors.com](mailto:contactus@kingsdaleadvisors.com).

**DATED** this 10<sup>th</sup> day of May, 2024.

By Order of the Board

*/s/ "Claire M.C. Kennedy"*

Chair of the Board of Directors

## TABLE OF CONTENTS

PART I GENERAL PROXY MATERIALS.....	2
PART II MATTERS TO BE ACTED UPON .....	5
PART III ADDITIONAL DISCLOSURE.....	13
STATEMENT OF EXECUTIVE COMPENSATION .....	13
INDEBTEDNESS OF DIRECTORS AND OFFICERS OF THE CORPORATION .....	31
CORPORATE GOVERNANCE OF THE CORPORATION .....	31
SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS.....	37
DIRECTOR'S AND OFFICER'S INSURANCE.....	38
INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON .....	38
INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS .....	38
OTHER BUSINESS.....	38
PART IV ADDITIONAL INFORMATION .....	38
DIRECTORS' APPROVAL .....	39
GLOSSARY OF TERMS.....	40

### NEO PERFORMANCE MATERIALS INC. MANAGEMENT INFORMATION CIRCULAR

This Information Circular is furnished to Shareholders in connection with the solicitation of proxies by the management of the Corporation for use at the Meeting and any adjournment(s) or postponement(s) thereof.

Unless otherwise noted or the context otherwise requires, all information provided in this Information Circular is given as of May 10, 2024 and references to the "Corporation" refer to Neo Performance Materials Inc., its direct and indirect subsidiaries and other entities controlled by them. Unless otherwise indicated, all dollar amounts in this Information Circular are expressed in U.S. dollars. The word "dollar" and the symbol "\$" or "U.S.\$" refer to the U.S. dollar and the symbol "C\$" refers to the Canadian dollar.

No person is authorized to give any information or to make any representation not contained in this Information Circular, and if given or made, such information or representation should not be relied upon as having been authorized. This Information Circular does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation of any offer or proxy solicitation. Neither delivery of this Information Circular nor any distribution of the securities referred to in this Information Circular shall, under any circumstances, create an implication that there has been no change in the information set forth herein since the date of this Information Circular.

The registered office of the Corporation is located at Suite 1740, 121 King Street West, Toronto, Ontario, M5H 3T9.

The Corporation has retained Kingsdale Advisors to provide a broad array of strategic advisory, governance, strategic communications, digital and investor campaign services on a global retainer basis in addition to certain fees accrued during the life of the engagement upon the discretion and direction of the Corporation. Shareholders may contact Kingsdale Advisors by telephone at 1 (800) 285-8968 (toll-free in North America) or 1 (437) 561-5021 (text and call enabled outside North America), or by email at [contactus@kingsdaleadvisors.com](mailto:contactus@kingsdaleadvisors.com).

#### ***Forward Looking Information***

Certain statements in the Information Circular constitute "forward-looking information. The words "scheduled", "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking information.

Forward-looking information is based on estimates and assumptions made by the Corporation in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Corporation believes are appropriate and reasonable in the circumstances, but there can be no assurance that such

estimates and assumptions will prove to be correct or that the Corporation's business guidance, objectives, plans and strategic priorities will be achieved.

Many factors could cause the Corporation's actual results or affairs to materially differ from those expressed or implied by the forward-looking information, including, without limitation, the factors discussed in the "Risk Factors" section of the Corporation's Annual Information Form dated March 14, 2024 for the year ended December 31, 2023, which is incorporated by reference in this cautionary statement. Although these factors are not intended to represent a complete list of factors that could affect the Corporation, they should be considered carefully. The forward-looking information contained in this Information Circular is made as of the date of this Information Circular, and the Corporation has no intention and undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities regulations. The forward-looking information contained in this Information Circular are expressly qualified by this cautionary statement. We caution readers not to rely on the forward-looking information contained in this Information Circular when making investment decisions regarding the Corporation's securities.

## **PART I GENERAL PROXY MATERIALS**

### **SOLICITATION OF PROXIES**

This Information Circular is furnished in connection with the solicitation by and on behalf of the management of the Corporation of proxies to be used at the Meeting to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting, and at any adjournment(s) or postponement(s) thereof. The solicitation of proxies will be primarily by mail but proxies may be solicited personally or by telephone by directors, officers or regular employees of the Corporation. Kingsdale Advisors will be acting as proxy solicitation agent for the Corporation to solicit proxies for the Meeting. If you have any questions or require more information about how to vote your shares, please contact Kingsdale Advisors by phone or text at 1 (800) 285-8968 toll-free in North America or 1 (437) 561-5021 outside of North America (text and call enabled outside of North America) or by email at [contactus@kingsdaleadvisors.com](mailto:contactus@kingsdaleadvisors.com). In connection with its services, the Corporation will pay Kingsdale Advisors a fee of up to approximately C\$75,000, exclusive of call fees, expenses and applicable taxes. The Corporation will bear all costs of this solicitation.

### **ADVICE TO BENEFICIAL HOLDERS**

The information set forth in this section is of significant importance to many public Shareholders as a substantial number of the public Shareholders do not hold Common Shares in their own names. Shareholders who do not hold their Common Shares in their own names (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of the shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting Common Shares for their clients. The directors and officers of the Corporation may not know for whose benefit the Common Shares registered in the name of a broker or intermediary are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholders how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**"). Broadridge typically applies a decal to the proxy forms, mails those forms to the Beneficial Shareholders and asks

Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a proxy with a Broadridge decal on it cannot use that proxy to vote shares directly at the Meeting. **The proxy must be returned to Broadridge well in advance of the Meeting in order to have the shares voted.**

Since the Corporation may not have access to the names of its non-registered Shareholders, if a Beneficial Shareholder attends the Meeting, the Corporation will have no record of the Beneficial Shareholder's shareholdings or of its entitlement to vote unless the Beneficial Shareholder's nominee has appointed the Beneficial Shareholder as proxyholder. Therefore, a Beneficial Shareholder who wishes to vote in person at the Meeting must insert its own name in the space provided on the voting instruction form sent to the Beneficial Shareholder by its nominee, and sign and return the voting instruction form by following the signing and returning instructions provided by its nominee. By doing so, the Beneficial Shareholder will be instructing its nominee to appoint the Beneficial Shareholder as proxyholder. The Beneficial Shareholder should not otherwise complete the voting instruction form as its vote will be taken at the Meeting.

The Corporation may utilize the Broadridge QuickVote™ system, which involves non-objecting Beneficial Shareholders ("NOBOs") being contacted by Kingsdale, which is soliciting proxies on behalf of management of the Corporation, to obtain voting instructions over the telephone and relaying them to Broadridge (on behalf of the NOBO's intermediary). While representatives of Kingsdale are soliciting proxies on behalf of management, Shareholders are not required to vote in the manner recommended by the Board. The QuickVote™ system is intended to assist Shareholders in placing their votes, however, there is no obligation for any Shareholders to vote using the QuickVote™ system, and Shareholders may vote (or change or revoke their votes) at any other time and in any other applicable manner described in this Circular. Any voting instructions provided by a Shareholder will be recorded and such Shareholder will receive a letter from Broadridge (on behalf of the Shareholder's intermediary) as confirmation that their voting instructions have been accepted.

If you have any questions, please contact the Corporation's proxy solicitation agent, Kingsdale Advisors, by phone or text at 1 (800) 285-8968 toll free in North America or 1 (437) 561-5021 outside of North America (text and call enabled outside of North America), or by email at [contactus@kingsdaleadvisors.com](mailto:contactus@kingsdaleadvisors.com).

#### **ADVICE TO REGISTERED HOLDERS**

A registered holder of Common Shares can vote their Common Shares in person at the Meeting or by proxy. A registered holder who does not wish to attend the Meeting or does not wish to vote in person should submit their form of proxy. Registered holders who wish to vote in person at the Meeting are encouraged to vote by submitting a proxy. Voting by proxy will not prevent a registered holder from voting in person if they attend the Meeting and duly revoke their previously granted proxy, but will ensure that their vote is counted if they are unable to attend the Meeting.

The Common Shares represented by the accompanying form of proxy (if the same is properly executed in favour of Claire M.C. Kennedy, Rahim Suleman or Alexander D. Caldwell, the management nominees, and is received at the offices of Computershare Trust Company of Canada, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, Canada, M5J 2Y1 or via internet at [www.investorvote.com](http://www.investorvote.com) or by telephone at the toll-free number printed on the form of proxy, **by not later than 4:00 p.m. (Toronto time) on Monday, June 17, 2024** or, if the Meeting is adjourned or postponed, not later than 48 hours, excluding Saturdays, Sundays or holidays, preceding the time of such adjourned or postponed Meeting, or in either case by such later date and time as the Board may determine in its sole discretion) will be voted at the Meeting, and, where a choice is specified in respect of any matter to be acted upon, will be voted in accordance with the specification made. A shareholder has the right to appoint a person (who need not be a shareholder) to attend and act for him/her or on his/her behalf at the Meeting other than the persons named in the enclosed instrument of proxy. **In the absence of such a specification, such Common Shares will be voted in favour of such matter. The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion, without notice.**

**The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters set forth in the accompanying notice of Meeting, or all other business or matters that may properly come before the Meeting.** At the date hereof, management of the Corporation knows of no such amendments, variations or other business or matters to come before the Meeting.

## NOTICE AND ACCESS

This year, as described in the notice and access notification mailed to shareholders of the Corporation, the Corporation has decided to deliver the Meeting materials to shareholders by posting the Meeting materials on the following website: [www.neomaterials.com](http://www.neomaterials.com) (the "Website"). The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and it will also reduce the Corporation's printing and mailing costs. The Meeting materials will be available on the Website on May 14, 2024, and will remain on the Website for one full year thereafter. The Meeting materials will also be available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

No shareholders will receive paper copies of the Meeting materials unless they specifically request paper copies. Instead all shareholders will receive a notice and access notification which will contain information on how to obtain electronic and paper copies of the Meeting materials in advance of the Meeting. If you wish to receive a paper copy of the Meeting materials or have questions about notice-and-access please call the Corporation's transfer agent, Computershare Trust Company of Canada. In order to receive a paper copy in time to vote before the Meeting, your request should be received by June 7, 2024.

The Corporation will not send its proxy-related materials directly to NOBOs under National Instrument 54-101. Beneficial Shareholders are asked to consider signing up for electronic delivery of the Meeting materials. Electronic delivery has become a convenient way to make distribution of materials more efficient and is an environmentally responsible alternative by eliminating the use of printed paper and the carbon footprint of the associated mail delivery process. Signing up is quick and easy, go to [www.proxyvote.com](http://www.proxyvote.com) and sign in with your control number, vote for the resolutions at the meeting and following your vote confirmation, you will be able to select the electronic delivery box and provide an email address. Having registered for electronic delivery, going forward you will receive your Meeting materials by email and will be able to vote on your device by simply following a link in the email sent by your financial intermediary, provided your intermediary supports this service.

## MEETING PARTICIPATION

The Corporation strongly encourages registered shareholders and proxyholders to vote using one of the methods described in the accompanying management information circular. To facilitate shareholders attending the Meeting, the Meeting will be audio-cast live at 4:00 p.m. (Toronto time) on June 19, 2024 and can be accessed by conference call at (289) 819-1350 (Toronto local) or 1 (800) 836-8184 (North America toll free) or online by webcast at <https://emportal.ink/49Pm14Y>, please indicated you are dialing into the Neo Annual General & Special Shareholder Meeting. This call will be listen-only and shareholders will not be able to vote or speak at, or otherwise participate in the Meeting via the conference call.

## APPOINTMENT AND REVOCATION OF PROXIES

A shareholder has the right to appoint a person or entity (who need not be a shareholder) to attend and act for him/her on his/her behalf at the Meeting other than the persons named in the enclosed form of proxy. The persons named in the accompanying form of proxy are a director and officer of the Corporation and an officer of the Corporation, respectively. **A shareholder desiring to appoint some other person to represent him or her at the Meeting may do so either by inserting such person's name in the blank space provided in the accompanying form of proxy and striking out the names of the management nominees or by duly completing another proper form of proxy and, in either case, depositing the completed proxy at the offices of the Corporation's registrar and transfer agent, Computershare Trust Company of Canada, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, Canada, M5J 2Y1 or via internet at [www.investorvote.com](http://www.investorvote.com) or by telephone at the toll-free number printed on the form of proxy before the specified time described in the previous section.**

**A Shareholder giving a proxy has the power to revoke it.** Such revocation may be made by the Shareholder attending the Meeting by fully executing another form of proxy bearing a later date and duly depositing the same before the specified time, or by written instrument revoking such proxy duly executed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a body corporate, under its corporate seal or by an officer or attorney thereof, duly authorized, and deposited either at the registered office of the Corporation or its registrar and transfer agent at any time up to and including the last Business Day preceding the date of the Meeting or any adjournment thereof, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof or in any other manner permitted by law. Such instrument will not be effective with respect to any matter on which a vote

has already been cast pursuant to such proxy. Shareholders may contact Kingsdale Advisors, the Corporation's proxy solicitation agent, by telephone at 1 (800) 285-8968 (toll-free in North America) or 1 (437) 561-5021 (text and call enabled outside North America), or by email at [contactus@kingsdaleadvisors.com](mailto:contactus@kingsdaleadvisors.com).

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized capital of the Corporation consists of an unlimited number of preferred shares and an unlimited number of Common Shares without nominal or par value, of which 41,751,560 Common Shares were issued and outstanding as at the date of this Information Circular.

Each Shareholder is entitled to one vote for each Common Share shown as registered in his or her name on the list of Shareholders, which will be available for inspection at the Meeting. The directors have fixed May 10, 2024 as the record date for the Meeting. Accordingly, pursuant to the OBCA, only Shareholders of record as at the close of business on May 10, 2024 are entitled to receive notice of and to attend and vote at the Meeting.

To the knowledge of the directors and officers of the Corporation, as of the date of this Information Circular, no person beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying more than 10% of the votes attached to Common Shares, except for the following:

Name	Number of Common Shares Beneficially Owned Directly or Indirectly	Percentage of Common Shares Held
HTM Investments (One) Pty Ltd.	8,974,127	21.5%
Mawer Investment Management Ltd.	5,148,845	12.3%

## PART II MATTERS TO BE ACTED UPON

### 1. ELECTION OF DIRECTORS

Directors of the Corporation are elected annually by the Shareholders and will hold office until the next annual general meeting of shareholders. The Articles of the Corporation provide that the number of directors to be elected shall be a minimum of three and a maximum of 15. A Board of seven directors is to be elected at the Meeting.

It is intended that the persons named in the accompanying form of proxy will vote the Common Shares represented thereby in favour of electing as directors the nominees named below. Unless such authority is withheld, the Common Shares represented by the accompanying form of proxy will be voted in favour of the nominees set out below.

The term of office of all present directors of the Corporation expires at the Meeting. Management has been informed by each nominee that he/she is willing to stand for election or re-election, as applicable, and serve as a director. Each of the directors will be elected on an individual basis. The information as to Common Shares beneficially owned or over which control or direction is exercised, not being within the knowledge of the Corporation, has been furnished by the respective parties.

**In the absence of instructions to the contrary, the Common Shares represented by a properly executed form of proxy in favour of the persons designated by management of the Corporation will be voted FOR the election as directors of the nominees whose names are set forth below.**

The Board has adopted a Majority Voting Policy which requires that any nominees who receive a greater number of votes withheld from his or her election than votes for such election, to promptly tender his or her resignation to the Board to be effective on the acceptance by the Board. Following receipt of the resignation, the Board will consider whether or not to accept the offer of resignation, and will do so absent exceptional circumstances. Within 90 days following the Meeting, the Board shall publicly disclose its decision whether or not to accept the applicable director's resignation, including the reasons for rejecting the resignation, if applicable. A director who tenders his or her

resignation pursuant to this policy will not be permitted to participate in any meeting of the Board at which the resignation is considered. This policy does not apply in circumstances involving contested director elections.

The following information is submitted with respect to the nominees for directors:

<p><b>CLAIRE M.C. KENNEDY</b>  <b>Toronto, Ontario, Canada</b></p> <p><i>Chair of the Board</i>  <i>Member, Corporate Governance and Nominating Committee</i>  <i>Member, Audit Committee</i>  <i>Member, Compensation and Human Resources Committee</i>  <i>Member, HESS Committee</i></p> <p>Director since October 2017</p> <p>Independent</p> <p>Shares held: 15,983</p>	<p>Ms. Kennedy is a lawyer and Senior Advisor, Clients and Industries in the Toronto office of Bennett Jones LLP. Ms. Kennedy has been a director of Neo since October 2017. Ms. Kennedy was a member of the board of directors of NEM from February 2010 to June 2012 and served on the Audit Committee. Ms. Kennedy is Lead Director of the Bank of Canada. She is also a director of Alamos Gold Inc., and serves as Audit Committee Chair, and is a director of Constellation Software Inc. She is also a member of the Dean's Advisory Committee at the Rotman School of Management. Ms. Kennedy was formerly Chair of the Governing Council of the University of Toronto. Ms. Kennedy holds a Bachelor of Applied Science degree in chemical engineering from the University of Toronto, a law degree from Queen's University, and an honorary doctorate from U of T and has completed the University of Chicago's Booth School of Business Advanced Management Program. She was a partner of Bennett Jones LLP until July 2019 when she became Senior Advisor. She also holds the ICD.D designation from the Institute of Corporate Directors and the P.Eng. designation from Professional Engineers Ontario.</p>																				
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	<p><b>Other Public Board Directorships and Committee Memberships:</b>  <b>Company:</b> Alamos Gold Inc., Audit Committee Chair  Constellation Software Inc., Director  <b>Public Board Interlocks:</b> None</p>																				
<p><b>ERIC NOYREZ</b>  <b>Bidart, France</b></p> <p><i>Lead Independent Director</i>  <i>Chair, Compensation and Human Resources Committee</i>  <i>Member, Audit Committee</i>  <i>Chair, HESS Committee</i></p> <p>Director since October 2017</p> <p>Independent</p> <p>Shares held: 18,715</p>	<p>Mr. Noyrez has been an independent and Lead Director of Neo since October 2017, and prior to which he was an independent director of Neo C&amp;O from August 31, 2016. Since October 2018, he has served as the Chief Executive Officer of, and later as an advisor to, Serra Verde Rare Earths, a company aiming at developing and producing a rare earths concentrate. Since 2014, he acted as a board member and advisor for various entities. From February 2010 to June 2014, he served successive roles from Chief Operating Officer to Director and Chief Executive Officer at Lynas Corporation, an integrated rare earth mining and separation company. Prior to Lynas, he served as President of the SILCEA division of Rhodia (named Solvay S.A. now) and before 2000, spent 11 years in different business leadership roles at Shell. Eric started his career as an automotive designer at Peugeot-Citroën. He holds a Master's Degree in Engineering (Meng) from École des Mines de Douai, France.</p>																				
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• Audit Committee	2 of 2	4 of 4																			
• Compensation and Human Resources Committee	2 of 2	6 of 6																			
• HESS Committee	2 of 2	4 of 4																			

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**Other Public Board Directorships and Committee Memberships:****Company:** None**Public Board Interlocks:** None

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**RAHIM SULEMAN**  
**Toronto, Ontario, Canada***Chief Executive Officer and  
Director  
Member, HESS Committee*

Director since October 2017

Non-independent

Shares held: 250,867

Mr. Suleman was appointed the President and Chief Executive Officer of Neo on July 7, 2023. Prior to which, he was the President and Interim Chief Financial Officer of Neo since January 1, 2023. Previously, he was the Executive Vice President and Chief Financial Officer of Neo from September 2017, and was the Executive Vice President and Chief Financial Officer of Neo Cayman from January 2017. Previously, Mr. Suleman was Chief Financial Officer at Stackpole International from 2010. From 2009 to 2010, he was Global Finance Manager with GE Digital Energy Protection and Control. Mr. Suleman is a Canadian Chartered Accountant holding a Masters of Accountancy and a Bachelor of Arts in Accountancy from the University of Waterloo.

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	Board/Committees	Attendance	
		2024 (Jan to May)	2023
•	Board of Directors	4 of 4	4 of 4
•	HESS Committee	2 of 2	2 of 2

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**Other Public Board Directorships and Committee Memberships:****Company:** None**Public Board Interlocks:** None

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**G. GAIL EDWARDS**  
**Toronto, Ontario  
Canada***Director  
Chair, Audit Committee*

Director since June 2019

Independent

Shares held: Nil

Gail Edwards has been a director of Neo since June 2019 and is Chair of the Audit Committee. She is a C-suite financial and real estate executive who is currently a director of Amica Senior Lifestyles and Chair of the Audit Committee, as well as a director and Audit Committee Chair of Victory Holdco LLP, based in New York. Ms. Edwards is also a member of the Real Estate Advisory Committee (REAC) for OP Trust, which manages one of Canada's largest pension funds, and a member of the REAC of the New York State Common Retirement Fund which manages funds in excess of US\$250 billion. Ms. Edwards has held executive management positions with the Minto Group, JH Investments Inc., a New York based real estate developer, a NYSE listed entertainment company, a U.S. based global food service and hospitality company and a Canadian banking institution. Ms. Edwards has her ICD.D designation and is a Canadian Chartered Accountant holding a Bachelor of Science degree in Mathematics from the University of Western Ontario.

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	Board/Committees	Attendance	
		2024 (Jan to May)	2023
•	Board of Directors	4 of 4	9 of 9
•	Audit Committee	2 of 2	4 of 4

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**Other Public Board Directorships and Committee Memberships:****Company:** None**Public Board Interlocks:** None

**EDGAR LEE**  
**Hunts Point, Washington, U.S.A.**

*Director*  
*Chair, Corporate Governance*  
*and Nominating Committee*  
*Member, Compensation and*  
*Human Resources Committee*

Director since October 2017

Independent

Shares held: Nil

Mr. Lee has been a director of Neo since October 2017, and prior to which he was a director of Neo C&O from August 31, 2016. He is the Co-Founder and Managing Member of Sagent Group, a private investment firm. He has over 20 years of finance, mergers and acquisition and capital markets experience. Previously, Mr. Lee founded and was the portfolio manager of Oaktree's \$6 billion Strategic Credit strategy. He was also the CEO and CIO of three corporate and specialty finance companies including Oaktree Specialty Lending and Oaktree Strategic Income Corporations. Before joining Oaktree, Mr. Lee worked within the Investment Banking divisions at UBS Investment Bank in Los Angeles and Lehman Brothers, where he was responsible for advising clients on equity and debt financings and mergers and acquisitions. He received a B.A. degree in economics from Swarthmore College and his master's degree from Harvard University.

	Board/Committees	Attendance	
		2024 (Jan to May)	2023
•	Board of Directors	4 of 4	9 of 9
•	Corporate Governance and Nominating Committee	2 of 2	4 of 4
•	Compensation and Human Resources Committee	2 of 2	6 of 6

**Other Public Board Directorships and Committee Memberships:**

**Company:** None

**Public Board Interlocks:** None

**YADIN ROZOV**  
**Armonk, New York, U.S.A.**

*Director*  
*Member, Audit Committee*  
*Member, Corporate Governance*  
*and Nominating Committee*

Director since August 2022

Independent

Shares held: 53,425

Mr. Rozov has over 20 years of experience in capital markets, corporate finance, investment banking, and investment management, and serves as a board member for banking, insurance, chemicals, and pharmaceutical companies. Mr. Rozov is also the founder and Managing Partner of Terrace Edge Ventures LLC, and previously a Partner of GoldenTree Asset Management LLC, a leading global credit asset management firm. Additionally, he was a Partner and Managing Director at Moelis & Company, where he headed the Financial Institution Advisory Group and was one of the founders of College Ave Student Loans LLC. Mr. Rozov earned an M.Sc. in data science from Columbia University and a B.S. degree with highest honors in physics and materials engineering from Rutgers University.

	Board/Committees	Attendance	
		2024 (Jan to May)	2023
•	Board of Directors	4 of 4	9 of 9
•	Audit Committee	2 of 2	4 of 4
•	Corporate Governance and Nominating Committee	2 of 2	4 of 4

**Other Public Board Directorships and Committee Memberships:**

**Company:** Dave Inc., Member of Compensation Committee

Core Scientific, Inc., Chair, Compensation Committee and Member of Audit Committee

**Public Board Interlocks:** None

**HUA DU**  
**Kowloon, Hong Kong**

*Director*  
*Member, HESS Committee*

Director since October 2023

Independent

Shares held: Nil

Hua Du has over 25 years of executive experience in a number of industries operating in Asian and global markets leading change in business models, overseeing plant construction, defining strategic plans and developing leadership teams. Mr. Du is currently serving as the Chief Executive Officer of Grobest Group Limited, of a biotech-based animal nutrition business, with offices and operations across eight Asian countries. Previously, Mr. Du served for 11 years as President of Global Business Units and Executive Committee member at a leading global chemicals and materials company, including manufacturing and distribution of value-added rare earth products. There, he led several global business units with revenues of EUR 5 billion, more than 10,000 employees, and technologies covering a wide range of end markets. Before that, he worked at a specialty chemicals manufacturer for 13 years, driving growth in Asia for its Electronic Materials Group. Mr. Du graduated from Peking University in China and holds a Doctor of Philosophy (Ph.D.) in organic chemistry from the University of Illinois Urbana-Champaign.

	Board/Committees	Attendance	
		2024 (Jan to May)	2023
•	Board of Directors	4 of 4	2 of 2
•	HESS Committee	2 of 2	1 of 1

**Other Public Board Directorships and Committee Memberships:**

**Company:** None

**Public Board Interlocks:** None

**Notes:**

- (1) The information as to Common Shares beneficially owned or over which control or direction is exercised, not being within the knowledge of the Corporation, has been furnished by the respective parties.

**Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

***Cease Trade Orders***

Other than as set out below, no proposed director of the Corporation is, as at the date of this Information Circular, or was within the 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation), that:

- (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or
- (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of the preceding disclosure, an "order" means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for more than 30 days.

***Bankruptcies***

Other than as set out below, no proposed director of the Corporation:

- (a) is, at the date of this Information Circular, or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was

subject to or instituted any proceedings, arrangement or compromise within creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or

- (b) 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, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold assets of the director, executive officer or shareholder.

### ***Penalties and Sanctions***

Other than as set out below, no proposed director of the Corporation has been subject to:

- (a) any penalty or sanction 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 penalty or sanction imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Edgar Lee was an officer of Oaktree Capital Management. A principal focus of Oaktree Capital Management's investing activities is in the debt of financially stressed or distressed companies and to take an active role in the bankruptcy process, often emerging with equity of the reorganized company. As such, Oaktree and its officers are often subject to litigation that arises in the ordinary course of its business of investing in distressed debt and special situation funds.

### **Conflicts of Interest**

Certain of the directors and officers of the Corporation are also directors and officers of other companies. The directors of the Corporation are bound by the provisions of applicable corporate law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose any interests, which they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the Board, any director in a conflict is required to disclose his or her interest and abstain from voting on such matter.

To the best of the Corporation's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among the Corporation, its directors and officers or other members of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Corporation and their duties as a director or officer of such other companies.

## **2. RE-APPOINTMENT OF AUDITORS**

The management of the Corporation recommends the re-appointment of KPMG LLP Chartered Accountants, as auditors of the Corporation. KPMG LLP have been the auditors for the Corporation since the Corporation was incorporated in September 2017. Unless such authority is withheld, the Common Shares represented by the accompanying form of proxy will be voted in favour of the re-appointment of KPMG LLP Chartered Accountants as auditors of the Corporation to hold office until the next annual meeting of shareholders and authorizing the directors of the Corporation to fix their remuneration.

This resolution requires the approval of a simple majority of the votes cast at the Meeting, in person or by proxy, in order to be approved.

**In the absence of instructions to the contrary, the Common Shares represented by a properly executed form of proxy in favour of the persons designated by management of the Corporation will be voted FOR the re-appointment of KPMG LLP Chartered Accountants as auditors of the Corporation.**

### 3. APPROVAL OF AMENDMENTS TO THE OMNIBUS LTIP

At the Meeting, Shareholders will be asked to approve an ordinary resolution, with or without amendment, the text of which is set out below, approving, ratifying and confirming amendments to the Company's Omnibus Long-Term Incentive Plan (the "**Omnibus LTIP**"). The Omnibus LTIP is designed to assist and encourage officers, directors and employees of the Company and its subsidiaries to work towards and participate in the growth and development of the Company, and to assist the Company in attracting, retaining and motivating its executives and key employees. A summary of the principal terms of the Omnibus LTIP is set out under the heading "*Statement of Executive Compensation - Compensation Discussion and Analysis – Other Compensation – Omnibus LTIP*" below and a copy of the Omnibus LTIP is attached as Appendix "C" to this Circular.

The Board is recommending an increase of 2,300,000 Common Shares authorized for issuance under the LTIP, while maintaining the sub-limit of 1,400,000 Common Shares available for issuance from treasury under the Omnibus LTIP pursuant to SARs or RSUs. The amendments were approved by the Board on May 8, 2024, subject to approval by the TSX and shareholders. On April 26, 2024, the TSX conditionally approved the amendments subject to shareholder approval.

At the Meeting, shareholders will be asked to consider, and to approve the ordinary resolution set out below.

#### **BE IT RESOLVED THAT:**

1. Subject to approval of the TSX, the amendment and restatement of the Omnibus LTIP in order to increase the number of Common Shares reserved for issuance under the Omnibus LTIP pursuant to the exercise and/or vesting of awards granted under the Omnibus LTIP by the addition of 2,300,000 Common Shares, such that following such increase, the fixed maximum number of Common Shares reserved for issuance under the LTIP will be equal to 4,665,000 Common Shares (representing 11.1% of the total issued and outstanding shares as of May 10, 2024), be and is hereby approved and ratified;
2. any director or officer of the Corporation, be and is hereby authorized and empowered to execute or cause to be executed in the name and on behalf of the Corporation or to deliver or cause to be delivered all such documents, agreements and instruments and do or cause to be done all such acts and things as he or she shall determine to be necessary or desirable in order to carry out the intent of the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing; and
3. the board of directors of the Company, be and is hereby authorized to cause all measures to be taken, such further agreements to be entered into and such further documents to be executed, as may be deemed necessary, appropriate, useful, or advisable to implement these resolutions.

**The Board recommends that the Shareholders vote FOR the resolution set out above.**

To be effective, the ordinary resolution approving, ratifying and confirming the amendments to the Omnibus LTIP must be approved by the affirmative vote of a majority of the shareholder present or represented by proxy at the Meeting. Shareholders may vote for or against the resolution. The Board recommends that Shareholders vote FOR the resolution set out above.

**UNLESS A SHAREHOLDER SPECIFIES IN ITS PROXY THAT THE SHARES REPRESENTED BY SUCH PROXY ARE TO BE VOTED AGAINST THE ORDINARY RESOLUTION APPROVING, RATIFYING AND CONFIRMING THE AMENDED & RESTATED LTIP, THE PERSONS NAMED IN THE PROXY SHALL VOTE THE SHARES FOR THE ORDINARY RESOLUTION APPROVING, RATIFYING AND CONFIRMING THE AMENDED & RESTATE LTIP.**

#### **Reasons for the Increase of Common Shares Issuable pursuant to the Omnibus LTIP**

The Company relies on the granting of Options, RSUs (time-vested and performance-vested, DSUs and SARs (collectively, "**Awards**") to attract, retain, and motivate its officers, directors and key employees and to align management's interests with the creation of long-term shareholder value. The Compensation & Human Resources

Committee and the Board also believe that the Awards have played a significant role in the Company's achievement of strong results over time. As such, it is important that the Company holds a sufficient reserve of Common Shares for issuance under the Omnibus LTIP in order to stay sufficiently competitive in its recruitment and retention activities, and to maintain flexibility in its long-term incentive compensation practices.

In the 2023 fiscal year, only Options, RSUs and PSUs were granted under the Omnibus LTIP, pursuant to which an aggregate of 1,043,115 Common Shares are issuable representing an annual burn rate of 2.35%. In fiscal 2022 and 2021, the annual burn rates were 0.92% and 1.23%, respectively.

The Omnibus LTIP currently provides that the maximum number of Common Shares that are issuable for the exercise or vesting of Awards is not to exceed 2,365,000 Common Shares (representing approximately 5.7% of the issued and outstanding Common Shares as of May 10, 2024). As of May 10, 2024, an aggregate of 2,189,854 Awards are outstanding and 147,935 Common Shares have been issued on the settlement of Awards, reducing the number of Common Shares available for issuance under the Omnibus LTIP to 27,211 Common Shares. Accordingly, without approval of the increase to the number of Common Shares issuable under the Omnibus LTIP, the Company will be limited to 27,211 Common Shares (representing 0.01% of the total issued and outstanding Common Shares as of that date) available for future grants under the Omnibus LTIP. The proposed increase of the share reserve will help the Company recruit and retain key talent which are integral to the Company's succession planning and leadership development.

On May 8, 2024, the Board approved, on the recommendation of the Compensation and Human Resources Committee and subject to TSX and shareholder approvals, an amendment to the Omnibus LTIP to increase the number of Common Shares authorized for issuance under the Omnibus LTIP by 2,300,000 Common Shares, such that following the increase, the maximum number of Common Shares issuable under the Omnibus LTIP would be fixed at 4,665,000 (representing approximately 11.1% of the issued and outstanding Common Shares as of May 10, 2024). This represents a proposed increase of 5.5% of the outstanding Common Shares as of May 10, 2024. The Omnibus LTIP contains a sub-limit on the number of Common Shares available for issuance from treasury pursuant to SARs or RSUs of 1,400,000. The new reserve is consistent with the Company's reliance on the flexibility of long-term incentive vehicles for future needs over the next three to five years.

The Board has determined that this proposed amendment with respect to the Omnibus LTIP reserve is appropriate and reasonable in size and scope given the Company's expected needs. The Board also considers that its approval is in the best interests of the Company given the importance of maintaining effective means of using equity incentive awards over the next three to five years.

Shareholder approval is required to approve the proposed amendment to the Omnibus LTIP.

Maximum Common Shares reserved for issuance as of May 10, 2024	2,365,000
LESS Awards outstanding as of May 10, 2024	2,189,854
LESS Common Shares issued on settlement of Awards as of May 10, 2024	147,935
<b>Common Shares available for future Award grants as of May 10, 2024</b>	<b>27,211</b>
PLUS the proposed increase in Common Shares reserved for issuance	2,300,000
<b>Common Shares available for future Award grants if amendment to Omnibus LTIP is approved</b>	<b>2,327,211</b>

**PART III  
ADDITIONAL DISCLOSURE**

**STATEMENT OF EXECUTIVE COMPENSATION**

Securities laws require that a "Statement of Executive Compensation" in accordance with Form 51-102F6 be included in this Information Circular. Form 51-102F6 prescribes the disclosure requirements in respect of the compensation of executive officers and directors of reporting issuers. Form 51-102F6 provides that compensation disclosure must be provided for the Chief Executive Officer and the Chief Financial Officer of an issuer and each of the issuer's three mostly highly compensated executive officers whose total compensation exceeds C\$150,000. Based on these requirements, the executive officers of the Corporation for whom disclosure is required under Form 51-102F6 are Mr. Rahim Suleman (the President and Chief Executive Officer), Mr. Jonathan Baksh (Executive Vice President and Chief Financial Officer), Mr. Kevin Morris, Mr. Jeff Hogan, Mr. Greg Kroll and Mr. Constantine E. Karayannopoulos (the former Chief Executive Officer) (collectively referred to as "**Named Executive Officers**").

**COMPENSATION DISCUSSION AND ANALYSIS**

*Compensation Philosophy and Objectives*

**Overview**

The Board, upon recommendation of the Compensation and Human Resources Committee, makes decisions regarding all forms of compensation, including salaries, bonuses and equity incentive compensation for the Corporation's executive officers. The Compensation and Human Resources Committee makes recommendations to the Board regarding compensation of the President and Chief Executive Officer and makes decisions in conjunction with feedback from the President and Chief Executive Officer regarding the compensation of the Corporation's other executive officers. The Compensation and Human Resources Committee, in consultation with the President and Chief Executive Officer, also administers employee incentive compensation, including equity-based compensation plans.

**Compensation and Human Resources Committee**

The Compensation and Human Resources Committee is comprised of three directors, none of whom are officers of the Corporation and, as such, the Board believes that the Compensation and Human Resources Committee is able to conduct its activities in an objective manner. See "*Corporate Governance – Compensation and Human Resources Committee*".

For additional details regarding the relevant education and experience of each member of the Compensation and Human Resources Committee, including the direct experience that is relevant to each committee member's responsibilities in executive compensation, see "*Directors and Executive Officers – Biographies*".

The Board has adopted a written mandate setting forth the purpose, composition, authority and responsibility of the Compensation and Human Resources Committee. The primary responsibilities and duties of the Compensation and Human Resources Committee, include, but are not limited to:

- discharging the Board's responsibilities relating to the compensation of the Corporation's executive officers;
- administering the Corporation's incentive compensation and equity-based compensation plans; and
- assisting the Board with respect to management succession and development.

The Compensation and Human Resources Committee reviews and makes recommendations to the Board on an annual basis regarding: (i) company-wide compensation programs and practices; (ii) all aspects of the remuneration of the Corporation's executive officers; and (iii) equity-based plans and any material amendments thereto.

## Compensation Objectives

The objectives of the Corporation's executive compensation arrangements, the Corporation's executive compensation philosophy and the application of this philosophy to the Corporation's executive compensation arrangements as well as those relating to compensation of directors is set out below. When determining the compensation arrangements for the Named Executive Officers, the Compensation and Human Resources Committee expects to consider the objectives of: (i) retaining an executive critical to the success of the Corporation and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Corporation's shareholders; and (iv) rewarding performance, both on an individual basis and with respect to the business in general.

### *Compensation Consulting Services*

Under its mandate, the Compensation and Human Resources Committee has the authority to retain, and did retain in 2021, the services of executive compensation consultants to provide independent advice on executive compensation and related governance issues. The Compensation and Human Resources Committee also has the authority to determine and pay the fees of such consultants. All compensation and non-compensation services provided by such independent advisors, consultants and experts to the Corporation must be pre-approved by the Compensation and Human Resources Committee or its chair.

### *Elements of 2023 Compensation of Named Executive Officers*

The Corporation believes that a substantial portion of the total compensation for the Named Executive Officers should be variable and tied to the Corporation's performance to align their compensation interests with the achievement of the Corporation's business objectives and the long-term investment interests of the Corporation's shareholders. At the same time, the Corporation strives to attract and retain high caliber executives through the measured use of competitive fixed compensation. The Corporation's program of both fixed and at risk compensation is offered at levels that the Corporation believes are competitive within its industry and was appropriate for 2023.

The Corporation believes the compensation program, when evaluated on a component by component basis and in total, effectively achieves the Corporation's compensation philosophy and objectives described above. The following table summarizes the key components of the Corporation's compensation program for 2023:

<b>Component</b>	<b>Primary Purpose and Objectives</b>
<i>Base Salary</i>	Base salary compensates an individual in cash for his or her responsibilities, skills, experience and performance. The levels of base salaries are intended to attract and retain a high quality management team, especially when combined with the other components of the Corporation's compensation program. The levels of base salary for the Named Executive Officers are designed to reflect each executive officer's scope of responsibility, accountability and industry experience.
<i>Annual Incentive Program Awards</i>	The Corporation's annual incentive program awards are used to align the Named Executive Officers' compensation interests with the overall business objectives and the short term investment interests of the Corporation's shareholders by rewarding the Named Executive Officers for annual performance. Corporate goals were established and approved by the Board in March 2023 and performance is evaluated after year end. Payments with respect to the 2023 annual incentive program awards were made in cash in April 2024.

<b>Component</b>	<b>Primary Purpose and Objectives</b>
<i>Long Term Incentive Program Awards</i>	<p>In May 2021, the Board adopted the Omnibus LTIP, the purposes of which are to foster and promote the long-term financial success of the Corporation and materially increase the value of the Corporation. The Omnibus LTIP authorizes the granting of equity-based compensation in the form of Options, RSUs, SARs, DSUs, and other awards. Awards granted under the Omnibus LTIP will be settled in Common Shares and in some cases, cash.</p> <p>Previously, the Corporation had adopted the Option Plan, a cash-settled long-term incentive plan and a directors' share unit plan. In addition, prior to the scheme of arrangement completed in November 2017 with Neo Cayman, the Company had adopted the Legacy Plan. Awards outstanding pursuant to the Legacy Plan include options, restricted share units and performance share units. There will be no further grants of awards made under the Option Plan, the prior long-term incentive plan, the directors' share unit plan or the Legacy Plan. As of the date hereof, there are no outstanding RSUs or PSUs pursuant to the Legacy Plan.</p>
<i>Health and Welfare Benefits</i>	<p>Broad-based and customary health and welfare benefits provide for basic health, life and income security needs of the Named Executive Officers and their dependents. These health and welfare benefits are competitive with industry practices and help attract and retain executives.</p>
<i>Retirement Benefits</i>	<p>The Corporation's Canada Group Retirement Savings Plan for the Corporation's Canadian based Named Executive Officers and the Corporation's 401(k) plan for the Named Executive Officers who reside in the United States encourage and reward long-term service by providing market-based benefits for retirement. All employees who are Canadian residents are eligible to participate in the Corporation's Canada Group Retirement Savings Plan and all U.S. based employees are eligible to participate in the Corporation's 401(k) plan.</p>

**2023 Annual Incentive Program Awards**

The annual incentive for a Named Executive Officer is calculated by multiplying base salary by a target incentive percentage ranging from 60% to 125% of base salary. The following multiples of base salary are provided for in the employment agreements for each of the Named Executive Officers:

	<b>Annual Incentive Target Percentage</b>
Rahim Suleman.....	125%
Jonathan Baksh.....	60%
Kevin Morris.....	65%
Jeff Hogan .....	60%
Greg Kroll.....	60%
Constantine E. Karayannopoulos.....	85%

The annual incentive for the President and Chief Executive Officer, the Chief Financial Officer and Chief Strategy Officer are approved by the Board and are based performance measured against consolidated business and personal performance, measured against the annual business plan approved by the Board. The annual incentive pay for other Named Executive Officers is recommended to the Board by the Chief Executive Officer and is dependent upon consolidated business, business segment and personal performance and measured against the annual business plan.

The Board approved the following weightings for the Named Executive Officers:

	<b>Consolidated Business</b>	<b>Business Segment / Department</b>	<b>Personal Performance</b>	<b>Total</b>
Chief Executive Officer / Chief Financial Officer / Chief Strategy Officer.....	90%	—	10%	100%
Business Segment Executive Vice President	45%	45%	10%	100%

#### *Metrics and Goals*

In March 2023, the Board approved the 2023 Annual Incentive Plan Goals consisting of the following three metrics for both consolidated business and business segment: Health, Environment, Safety and Security ("**HESS**"); Adjusted EBITDA vs. Budget; and Strategic Priorities. Each of these metrics is discussed in more detail below:

**HESS – 10%.** The components of this metric will be the average of LTIR ("**Lost Time Incident Rate**") and TRIR ("**Total Reportable Incident Rate**");

**Adjusted EBITDA vs. Budget – 80%.** Adjusted EBITDA is defined in the 2023 budget as operating profit plus non-cash items and other selected items, to be computed in a manner consistent between budget and actuals; and

**Strategic Priorities – 10%.** A subjective measure of achievement against strategic objectives reviewed by the Board in the first quarter of the year.

#### *Other Compensation - Long-Term Incentives*

##### *The Omnibus LTIP*

The Omnibus LTIP allows for a variety of equity-based awards that provide different types of incentives, particularly Options, RSUs (time-vested and performance-vested), DSUs and SARs, to be granted to officers, directors, employees and consultants of the Company and its subsidiaries. The following discussion is qualified in its entirety by the text of the Omnibus LTIP.

Under the terms of the Omnibus LTIP, the Board, or if authorized by the Board, the Compensation and Human Resources Committee, may grant Awards to eligible participants, as applicable. Participation in the Omnibus LTIP is voluntary and, if an eligible participant agrees to participate, the grant of Awards will be evidenced by a grant agreement with each such participant. The interests of any participant in any award are not assignable or transferable, whether voluntary, involuntary, by operation of law, otherwise, other than by will or the laws of descent and distribution.

The Omnibus LTIP provides that appropriate adjustment, if any, will be made by the Board in connection with a reclassification, reorganization or other change of the Common Shares, share split or consolidation, distribution, merger or amalgamation involving the Common Shares issuable or amounts payable to preclude the dilution or enlargement of the benefits of the Omnibus LTIP. The Omnibus LTIP does not contain any form of financial assistance. All prior Options, RSUs, PSUs, SARs, and DSUs granted under the Corporation's Option Plan, the Corporation's prior cash-settled LTIP, the DSU Plan or any other vehicles, continue to be governed by the terms of such plans.

The total number of Common Shares reserved and available for grant and issuance from treasury pursuant to awards under the Omnibus LTIP shall not exceed 2,365,000 (being 6.3% of the total issued and outstanding Common Shares as of the date of adoption of the Omnibus LTIP). In addition, of the number of Common Shares reserved for settlement of awards issued pursuant to the Omnibus LTIP, the number of Common Shares available for issuance from treasury under the Omnibus LTIP for the settlement of SARs and RSUs shall not exceed 1,400,000. At the Meeting, shareholders will be asked to approve an increase to the maximum number of Common Shares available for grant by an aggregate of 2,300,000 Common Shares. See section entitled "*Matters to be Acted Upon – Approval of Amendments to the Omnibus LTIP.*"

The maximum number of Common Shares that may be: (i) issued to insiders of the Corporation within any one year period; or (ii) issuable to insiders of the Corporation at any time, in each case, under the Omnibus LTIP alone, or when combined with all of the Corporation's other security-based compensation arrangements, including the Option Plan, cannot exceed 10% of the aggregate number of Common Shares issued and outstanding from time to time.

The maximum number of Common Shares that may be reserved for issuance to non-employee directors under the Omnibus LTIP shall be the lesser of (i) 1% of the issued and outstanding Common Shares on the date of grant, less the aggregate number of Common Shares reserved for issuance to such non-employee director under any other share based compensation arrangement; and (ii) an annual grant value to any one non-employee director of C\$150,000. Of the C\$150,000 annual grant value set out above, a maximum of C\$100,000 value may be granted in the form of Option (based on a Black-Scholes calculation).

An option shall be exercisable during a period established by the Board which shall commence on the date of the grant and shall terminate no earlier than one year and no later than 10 years after the date of grant. The minimum exercise price of an option will be determined by the Board based on the weighted average closing price of the Common Shares on the TSX on the five trading days prior to the date such option is granted. The Omnibus LTIP provides that the exercise period shall automatically be extended if the date on which it is scheduled to terminate shall fall during a blackout period. In such cases, the extended exercise period shall be terminated 10 business days after the last day of the black-out period.

The number of DSUs that a participant is entitled to receive in a fiscal year is based upon the percentage that the Board has determined that such participant will receive, in DSUs multiplied by the participant's annual retainer divided by the market value of Common Shares (as set out in the Omnibus LTIP). Each participant is entitled to redeem his or her DSUs within 90 days of his or her separation from the Corporation, and such DSUs may be settled in cash or Common Shares purchased on the open market.

The Board may determine the number of RSUs (time-vested and performance-vested) to be granted to a participant, the relevant vesting provisions of such RSUs (to a maximum of December 31 of the calendar year which is three years after the calendar year the RSU is granted), including any performance criteria and period over which such performance criteria must be met, if any and any other terms and conditions prescribed in the Omnibus LTIP. The Board shall determine whether RSUs will be settled in Common Shares issued from treasury or purchased on the secondary market or settled in cash.

The Board may determine the number of SARs to be granted to a participant, whether such SAR is to be settled in Common Shares or the cash equivalent thereof, the vesting period of the SAR (up to a maximum of 10 years from the date of grant) and the exercise price of a SAR, which shall not be less than the applicable market value of Common Shares (as set out in the Omnibus LTIP).

When dividends (other than stock dividends) are paid on Common Shares, participants under the Omnibus LTIP who have been granted RSUs or DSUs shall receive additional RSUs or DSUs, as applicable ("**Dividend Equivalents**") as of the dividend payment date. The number of Dividend Equivalents to be granted to the participant shall be determined by multiplying the aggregate number of RSUs or DSUs, as applicable, held by the participant on the relevant record date by the amount of the dividend paid by the Corporation on each Common Share, and dividing the result by the market value (as determined in the Omnibus LTIP) on the dividend payment date.

The following table describes the impact of certain events upon the rights of holders of Awards under the Omnibus LTIP, including termination for cause, resignation, retirement, termination other than for cause and death or long-term disability, subject to the terms of a participant's employment agreement, grant agreement and the change of control provisions described below:

Event Provisions	Options	RSUs, DSUs and SARs
<i>Termination for cause</i>	Immediate forfeiture of all unexercised vested and unvested options	Immediate forfeiture of all unvested RSUs, DSUs and SARs, as applicable

<b>Event Provisions</b>	<b>Options</b>	<b>RSUs, DSUs and SARs</b>
<i>Termination other than for cause</i>	Forfeiture of all unvested options upon the earlier of the original expiry date and 90 days after termination to exercise vested options or such longer period as the Board may determine in its sole discretion	The Corporation shall settle any vested RSUs, DSUs and SARs in accordance with their terms, and other unexercised or unvested RSUs, DSUs and SARs shall immediately vest and be settled on a pro-rated basis based on time elapsed and/or performance criteria, as applicable
<i>Resignation</i>	Forfeiture of all unvested options upon the earlier of the original expiry date and 90 days after resignation to exercise vested options or such longer period as the Board may determine in its sole discretion	Forfeiture of all unvested RSUs, DSUs and SARs, as applicable, and the Corporation shall settle any vested RSUs, DSUs and SARs in accordance with their terms
<i>Retirement</i>	All unvested options continue to vest in accordance with their terms and any vested unexercised options shall expire on the earlier of five years after the date of retirement and the original expiry date of the options	RSUs, DSUs and SARs shall continue to vest in accordance with their terms. Settlement of RSUs, DSUs and SARs subject to performance criteria shall be pro-rated for the time elapsed in the performance period up to the date of retirement
<i>Death or long-term disability</i>	Forfeiture of all unvested options upon the earlier of the original expiry date and 12 months after date of death or long-term disability to exercise vested options or such longer period as set out by the Board in its sole discretion	RSUs, DSUs and SARs shall continue to vest for a maximum period of 12 months or until the vesting date set out in the grant agreement (whichever is shorter) and settle within 30 days of such period.

In connection with a change of control of the Corporation, the Board will take such steps as are reasonably necessary or desirable to cause the conversion or exchange or replacement of outstanding Awards into, or for, rights or other securities of substantially equivalent (or greater) value in the continuing entity, provided that the Board may accelerate the vesting of Awards if: (i) the required steps to cause the conversion or exchange or replacement of Awards are impossible or impracticable to take or are not being taken by the parties required to take such steps (other than the Corporation); or (ii) the Corporation has entered into an agreement which, if completed, would result in a change of control and the counterparty or counterparties to such agreement require that all outstanding Awards be exercised immediately before the effective time of such transaction or terminated on or after the effective time of such transaction. If a participant is terminated without cause during the 24<sup>th</sup> month period following a change of control, any Awards then outstanding shall automatically vest so that (i) options may be exercised in whole or in part by the participant for 90 days thereafter or prior to the expiry date in respect thereof, whichever is sooner, and; (ii) other Awards shall vest and the participant shall be entitled to receive and the Corporation shall issue Common Shares in satisfaction of such Awards.

The Board may, in its sole discretion, suspend or terminate the Omnibus LTIP at any time, or from time to time, amend, revise or discontinue the terms and conditions of the Omnibus LTIP or of any securities granted under the Omnibus LTIP and any grant agreement relating thereto, subject to any required regulatory and TSX approval, provided that such suspension, termination, amendment, or revision will not adversely alter or impair any Award previously granted except as permitted by the terms of the Omnibus LTIP or as required by applicable laws.

The Board may amend the Omnibus LTIP or any securities granted under the Omnibus LTIP at any time without the consent of a participant provided that such amendment shall: (i) not adversely alter or impair any Award previously granted except as permitted by the terms of the Omnibus LTIP; (ii) be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the TSX; and (iii) be subject to shareholder approval, where required by law, the requirements of the TSX or the Omnibus LTIP, provided however that shareholder approval shall not be required for the following amendments and our Board may make any changes which may include but are not limited to:

- any amendments of a "housekeeping" nature, including, without limitation, to clarify the meaning of an existing provision of the Omnibus LTIP, correct or supplement any provision of the Omnibus LTIP that is inconsistent with any other provision of the Omnibus LTIP, correct any grammatical or typographical errors or amend the definitions in the Omnibus LTIP;
- any amendments to the vesting provisions of Awards;
- any amendments to accelerate the date on which any Award may be exercised under the Omnibus LTIP; and
- any amendments of the Omnibus LTIP or an Award as necessary to comply with applicable law or the requirements of any stock exchange upon which the Common Shares are then listed; or
- any amendments regarding the administration of the Omnibus LTIP.

Notwithstanding the foregoing, shareholder approval is required for certain amendments to the Omnibus LTIP, including, but not limited to the following:

- any change to the maximum number of Common Shares issuable from treasury under the Omnibus LTIP;
- (i) any amendment which reduces the exercise price of any Award, after such Awards have been granted, except in the case of an adjustment pursuant to the Omnibus LTIP; or (ii) any cancellation of an Award granted and the substitution of that Award by a new Award with a reduced price;
- any amendment which extends the expiry date of any Award beyond the original expiry date, except in case of an extension due to a black-out period;
- expands the authority of the Board to permit assignability of Awards other than as permitted under the Omnibus LTIP;
- adds to the categories of eligible participants who may be designated for participation in the Omnibus LTIP;
- removes or increases the insider participation limit under the Omnibus LTIP; or
- any amendments to the amendment provisions of the Omnibus LTIP.

*2023 Omnibus LTIP Awards*

The 2023 annual Omnibus LTIP awards granted to each of the Named Executive Officer is calculated by multiplying base salary by a target incentive percentage ranging from 85% to 250% of base salary. The following multiples of base salary are provided for in the employment agreements for each of the Named Executive Officers:

	<b>Omnibus LTIP Target Percentage</b>
Rahim Suleman.....	250%
Jonathan Baksh.....	85%
Kevin Morris.....	85%
Jeff Hogan .....	85%
Greg Kroll.....	85%

The Board approved a weighting of 30% Options, 20% RSUs (time-vested) and 50% RSUs (performance-vested) to the Named Executive Officers for the 2023 Omnibus LTIP award grants.

*RSU (performance-vested) Metrics and Goals*

In June 2023, the Board approved the following metrics and weightings as the performance categories of the RSU (performance-vested) awards for a 3 year performance period to the Named Executive Officers, as described below:

**ROCE – 70%.** Return on capital employed is calculated and assessed against approved target levels.

**ESG – 20%.** Includes targets regarding environmental, sustainability and governance achievements against key performance indicators approved by the Board.

**Strategic Priorities – 10%.** A subjective measure of achievement against strategic objectives reviewed by the Board in the first quarter of the year following the end of the performance period.

### *The Option Plan*

Prior to the adoption of the Omnibus LTIP, the Corporation had adopted a stock option on October 13, 2017 (the "**Option Plan**"). Any options outstanding under the Option Plan continue to be governed by the terms of the Option Plan. As at the date of the most recently completed financial year ended December 31, 2023, a total of 121,169 options were issued and outstanding under the Option Plan, representing approximately 0.29% of the issued and outstanding Common Shares, on a non-diluted basis. No further options will be granted under the Option Plan.

### *The Legacy Plan*

The Named Executive Officers were entitled to participate in the Legacy Plan, the purpose of which was to align the interests of participants with those of shareholders of Neo Cayman providing incentive compensation opportunities tied to performance of the securities of Neo Cayman. The Legacy Plan authorized the granting of equity-based compensation in the forms of options to purchase ordinary shares of Neo Cayman ("**Legacy Options**"), restricted share units ("**Legacy RSUs**"), and two series of performance units ("**Legacy PSUs**" and "**Legacy Additional PSUs**", respectively). There will be no further grants made under the Legacy Plan.

As at December 31, 2023, the following equity-based awards were outstanding under the Legacy Plan:

<b>Group</b>	<b>Legacy Options</b>
Executive Officers and Employees .....	456,012
Former Executive Officers.....	154,670
Directors <sup>(1)</sup> .....	86,672

**Note:**

(1) Includes 53,336 Legacy Options granted to Mr. Karayannopoulos in 2016 when he served as Chairman of Neo Cayman.

The number of Common Shares issuable on exercise of the Legacy Options and the exercise price per share have been adjusted to apply the exchange ratio applied in connection with the Arrangement. One-quarter of the Legacy Options vested on each of the first four anniversaries of the grant date, beginning on September 1, 2017.

The Corporation has assumed the obligation to issue Common Shares underlying the securities outstanding pursuant to the Legacy Plan. The number of Common Shares to be issued pursuant to the terms of the Legacy Options reflects the application of the exchange rate applied on the completion of the Arrangement.

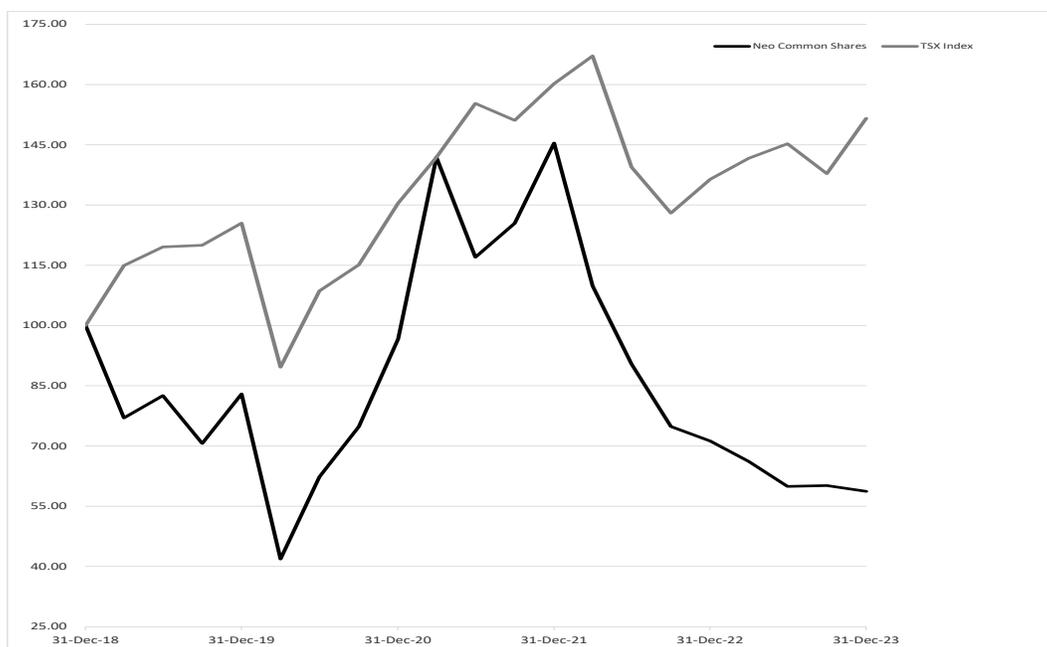
In the event of a stock dividend, extraordinary cash or stock dividend or other distribution or payment with respect to the Common Shares, among other events, the Legacy Plan (as assumed by the Corporation) provides that the Board shall, in good faith to be equitable to the holders of the Legacy Options (to prevent, among other things, dilution or enlargement of the rights of the holders), make appropriate adjustments to the applicable securities, underlying securities and/or the exercise prices of the respective awards.

### *Clawback Policy*

The Board has adopted an incentive compensation clawback policy that allows the Corporation to recover, from current and former executives, certain incentive compensation amounts awarded or paid to individuals, including equity-based incentive awards, if the individuals engaged in fraud or willful misconduct that led to inaccurate financial results reporting, regardless of whether the misconduct resulted in a restatement of all or part of the Corporation's financial statements.

### *Performance Graph*

The following line graph compares the cumulative return of the Common Shares based on the trading prices of the Common Shares on the TSX with the total return of the S&P/TSX Composite Index value (the "**TSX Index**") for the most recently completed fiscal year. The Common Shares commenced trading on the TSX on December 8, 2017 and the graph assumed that the dividends paid on the Common Shares were reinvested on the date paid.



	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2023
TSX Index	100.00	125.48	130.49	160.22	136.43	151.57
Common Shares	100.00	82.96	96.68	145.45	71.22	58.68

### ***Risks Associated with Compensation Policies and Practices***

The oversight and administration of the Corporation's executive compensation program requires the Compensation and Human Resources Committee to consider risks associated with the Corporation's compensation policies and practices. Potential risks associated with compensation policies and compensation awards are considered at annual reviews and also throughout the year whenever it is deemed necessary by the Compensation and Human Resources Committee.

The Corporation's executive compensation policies and practices are intended to align management incentives with the long-term interests of the Corporation and its shareholders. In each case, the Corporation seeks an appropriate balance of risk and reward. Practices that are designed to avoid inappropriate or excessive risks include: (i) financial controls that provide limits and authorities in areas such as capital and operating expenditures to mitigate risk taking that could affect compensation; (ii) balancing base salary and variable compensation elements; and (iii) spreading compensation across short and long-term programs.

### **Compensation of Named Executive Officers**

The following table sets out information concerning the targeted compensation to be earned by, paid to or awarded to the Named Executive Officers for the fiscal years ending December 31, 2023, 2022 and 2021.

(US\$)

Name and principal position	Year	Salary <sup>(1)</sup>	<u>Non-equity incentive plan compensation</u>						
			Option-based awards <sup>(2)</sup>	Share-based awards <sup>(2)</sup>	Annual incentive plans	Long-term incentive plans	Pension value <sup>(3)</sup>	All other compensation	Total compensation <sup>(1)</sup>
Rahim Suleman <sup>(4)</sup> .....	2023	551,975	449,104 <sup>(8)</sup>	1,033,186 <sup>(9)</sup>	428,247	—	11,403	59,476	2,533,391
President & Chief Executive Officer	2022	399,492	104,566	256,542 <sup>(10)</sup>	451,310	—	11,223	61,340	1,284,474
	2021	400,702	173,037	405,516 <sup>(11)</sup>	455,277	—	11,101	61,771	1,507,404
Jonathan Baksh <sup>(5)</sup> .....	2023	163,392	69,563	173,803	63,988	—	8,170	3,529	482,444
Executive Vice President & Chief Financial Officer									
Kevin Morris <sup>(6)</sup> .....	2023	447,851	100,001	239,192	190,315	—	13,200	74,458	1,065,017
Executive Vice President and Chief Strategy Officer	2022	432,705	92,488	226,907	488,830	—	12,200	71,126	1,324,256
	2021	420,132	154,480	361,980	525,015	—	11,600	72,652	1,545,859
Jeff Hogan .....	2023	387,495	86,526	206,954	106,040	—	13,200	68,615	868,830
Executive Vice President, C&O	2022	374,390	80,031	196,343	339,875	—	12,200	65,642	1,068,481
	2021	361,725	133,643	313,235	379,380	—	11,600	70,559	1,270,141
Greg Kroll .....	2023	393,300	87,816	210,062	133,010	—	13,200	11,327	848,715
Executive Vice President, Magnequench	2022	380,000	81,229	199,249	313,160	—	12,200	11,165	997,002
	2021	350,000	129,306	303,114	367,080	—	11,600	20,236	1,181,336
Constantine E. Karayannopoulos <sup>(7)</sup> .....	2023	272,725	—	—	149,878	—	11,403	67,437	501,443
Former Chief Executive Officer	2022	524,741	223,878	549,110	670,737	—	11,223	26,092	2,005,782
	2021	526,327	370,460	868,187	679,901	—	11,101	26,802	2,482,778

**Notes:**

- (1) The Corporation reports its financial statements in U.S. dollars and the table above is shown in U.S. dollars. Mr. Morris, Mr. Hogan and Mr. Kroll are paid in U.S. dollars. Compensation for Messrs. Suleman, Baksh and Karayannopoulos is made in Canadian dollars but has been converted for the table above at the Bank of Canada average annual exchange rate for the year ended December 31, 2023 of \$1.00 = C\$1.3497.
- (2) The fair value of Option-Based awards are estimated using the Black-Scholes option pricing model. The Corporation has adopted fair value accounting for Options using the Black-Scholes fair value option pricing model, as established methodology.
- (3) Pension amounts represent contributions of the Corporation to a defined contribution retirement savings or 401(k) plan.
- (4) Mr. Suleman was Executive Vice President and Chief Financial Officer until December 31, 2022 and was appointed President and Interim Chief Financial Officer on January 1, 2023. On July 7, 2023, Mr. Suleman was appointed President & Chief Executive Officer.
- (5) Mr. Baksh was appointed Executive Vice President and Chief Financial Officer on June 19, 2023.
- (6) Mr. Morris was the Executive Vice President and Chief Operating Officer until December 31, 2022 and was appointed Chief Strategy Officer on January 1, 2023.
- (7) Mr. Karayannopoulos retired as President and Chief Executive Officer on July 7, 2023.
- (8) Options vest in one-third tranches on the first, second and third anniversaries of the respective grant dates.
- (9) Comprised of an aggregate value of (i) \$295,196 worth of RSUs, one-third of which vest on each of the first, second and third anniversaries of the grant date, and (ii) \$737,990 worth of RSUs subject to performance criteria (with a weighting of 70% ROCE, 20% ESG and 10% strategy goals) during the period ending on December 31, 2025.

- (10) Comprised of an aggregate value of (i) \$73,331 worth of RSUs, one-third of which vest on each of the first, second and third anniversaries of the grant date, and (ii) \$183,211 worth of RSUs subject to performance criteria (with a weighting of 70% ROCE, 20% ESG and 10% strategy goals) during the period ending on December 31, 2024.
- (11) Comprised of an aggregate value of (i) \$115,872 worth of RSUs, one-third of which vest on each of the first, second and third anniversaries of the grant date, and (ii) \$289,644 worth of RSUs subject to performance criteria (with a weighting of 70% ROCE, 20% ESG and 10% strategy goals) during the period ending on December 31, 2023.

### *Chief Executive Officer Compensation*

Each year, based on an in-depth review of target compensation for the President and Chief Executive Officer, the Compensation and Human Resources Committee recommends and the Board approves compensation targets for the next fiscal year. The Compensation and Human Resources Committee considers the scope of the role, progress in demonstrating key leadership capabilities and progress towards previously set consolidated business and personal targets and strategic initiatives. Mr. Suleman was appointed President and Chief Executive Officer on July 7, 2023, following his tenure as President and Interim Chief Financial Officer since January 1, 2023 and prior thereto as Executive Vice President and Chief Financial Officer. Mr. Suleman entered into a new employment agreement on his appointment as President and Chief Executive Officer, which provides for an annual salary of C\$900,000, a target annual incentive award of 125% of base salary, and LTIP awards at a target level of not less than 250% of base salary. Fifty percent of the target annual incentive award is based on progress towards personal and consolidated business goals and the remaining fifty percent of which is based the Board's assessment of progress towards various strategic objectives. The target distribution of LTIP awards is comprised of 30% Options, 20% RSUs (time-vested) and 50% RSUs (performance-vested). The Options and RSUs (time-vested) granted to Mr. Suleman in 2023 vest in one-third tranches on each of the first, second and third anniversaries of the grant date and the RSUs (performance-based) are subject to performance criteria with a weighting of 70% ROCE, 20% ESG and 10% strategy goals for the period ending on December 31, 2025.

### *Incentive Plan Awards – Outstanding Option-Based and Share-Based Awards*

The following table indicates, for each of the Named Executive Officers, a summary of the value of option-based awards and share-based awards outstanding as at December 31, 2023.

Name	Option-based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option Expiration Date	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of share-based awards that have not vested	Market or payout value of share-based awards that have not vested <sup>(2)</sup> (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Rahim Suleman .....	168,004 <sup>(1)</sup>	9.37	Sept 1, 2026	Nil	211,566	1,202,916	Nil
	30,725	14.29	Aug 31, 2028	Nil			
	24,890	12.18	Mar 27, 2029	Nil			
	187,970	6.46	June 22, 2030	Nil			
Jonathan Baksh .....	29,115	6.46	June 22, 2030	Nil	28,520	162,158	Nil
Kevin Morris .....	168,004 <sup>(1)</sup>	9.37	Sept 1, 2026	Nil	76,601	435,536	Nil
	27,430	14.29	Aug 31, 2028	Nil			
	22,015	12.18	Mar 27, 2029	Nil			
	41,855	6.46	June 22, 2030	Nil			

Name	Option-based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option Expiration Date	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of share-based awards that have not vested	Market or payout value of share-based awards that have not vested <sup>(2)</sup> (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Jeff Hogan .....	120,004 <sup>(1)</sup>	9.37	Sept 1, 2026	Nil	66,280	376,853	Nil
	23,730	14.29	Aug 31, 2028	Nil			
	19,050	12.18	Mar 27, 2029	Nil			
	36,215	6.46	June 22, 2030	Nil			
Greg Kroll .....	60,004	13.17	Sept 12, 2025	Nil	66,466	377,910	Nil
	22,960	14.29	Aug 31, 2028	Nil			
	19,335	12.18	Mar 27, 2029	Nil			
	36,755	6.46	June 22, 2030	Nil			
Constantine E. Karayannopoulos .....	53,336 <sup>(1)</sup>	9.37	Sept 1, 2026	Nil	83,287	473,551	Nil
	61,165	7.24	Aug 11, 2027	Nil			
	65,780	14.29	Aug 31, 2028	Nil			
	53,290	12.18	Mar 27, 2029	Nil			

**Notes:**

(1) The number reflects the number of Common Shares issuable on exercise of Legacy Options.

(2) The value assumes that all options have vested and is calculated based on the share price on December 31, 2023 and using the Bank of Canada exchange rate as at December 31, 2023 of \$1.00 = C\$1.3226.

*Incentive Plan Awards – Value Vested or Earned*

The following table indicates, for each of the Named Executive Officers, a summary of the value of option-based awards and share-based awards vested in accordance with their terms during the fiscal year ending December 31, 2023.

Name	Option-based awards – Value vested during the fiscal year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the fiscal year (\$) <sup>(2)</sup>	Non-equity incentive plan compensation – value earned during the fiscal year (\$) <sup>(3)(4)</sup>
Rahim Suleman.....	—	29,000	428,247
Jonathan Baksh.....	—	- nil -	63,988
Kevin Morris.....	—	25,781	190,315
Jeff Hogan.....	—	22,312	106,040
Greg Kroll.....	—	22,049	133,010

Name	Option-based awards – Value vested during the fiscal year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the fiscal year (\$) <sup>(2)</sup>	Non-equity incentive plan compensation – value earned during the fiscal year (\$) <sup>(3)(4)</sup>
Constantine E. Karayannopoulos.....	—	62,055	445,359

**Notes:**

- (1) Calculated using the share price as of December 31, 2023 less the exercise price of the applicable Option.
- (2) Represents the RSUs and PSUs granted under the Legacy Plan that vested during the year and is calculated using the share price as of December 31, 2023.
- (3) Represents the annual incentive plan earned for 2023 and paid in 2024, plus the RSUs and PSUs granted under the prior LTIP that vested during the year and were settled in cash.
- (4) The annual incentive component of non-equity incentive plan compensation for Messrs. Suleman, Baksh and Karayannopoulos is calculated in Canadian dollars and has been converted into U.S. dollars for the table above at the Bank of Canada average annual exchange rate for the year ended December 31, 2023 of \$1.00 = C\$1.3497.

**Retirement Plan Benefits**

All of the Named Executive Officers participate in a defined contribution retirement savings plan. The Corporation together with its affiliates contribute the following amounts directly to the individuals' retirement savings account:

- (1) 5% of combined base salary and bonus (to a maximum of C\$15,390 in 2023) for Messrs. Suleman, Baksh and Karayannopoulos; and
- (2) 4% of combined base salary and bonus (to a maximum of \$13,200 for 2023) for Messrs. Morris, Hogan and Kroll.

*Defined Contribution Retirement Savings Plan Table*

Name	Accumulated Value at Start of Year (\$)	Compensatory Amount (\$) <sup>(2)</sup>	Accumulated Value at Dec. 31, 2023 (\$)
Rahim Suleman <sup>(1)</sup> .....	156,319	11,403	202,096
Jonathan Baksh <sup>(1)</sup> .....	nil <sup>(3)</sup>	8,170	17,024
Kevin Morris .....	463,595	13,200	593,738
Jeff Hogan .....	918,086	13,200	1,132,720
Greg Kroll.....	1,043,033	13,200	1,322,072
Constantine E. Karayannopoulos <sup>(1)</sup> .....	160,518	11,403	nil <sup>(4)</sup>

**Notes:**

- (1) For Messrs. Suleman, Baksh and Karayannopoulos, the values are shown as converted from Canadian dollars converted into U.S. dollars for the table above at the Bank of Canada average annual exchange rate for the year ended December 31, 2023 of \$1.00 = C\$1.3497.
- (2) Indicates the contributions of the Corporation to a defined contribution retirement savings or 401(k) plan.
- (3) Mr. Baksh was appointed Executive Vice President and Chief Financial Officer on June 19, 2023.
- (4) Mr. Karayannopoulos retired from the Company on July 7, 2023.

**Employee Agreements and Termination and Change of Control Benefits**

Each of the Named Executive Officers has employment agreements with Neo or a subsidiary thereof, that contain termination payment provisions. These agreements are reviewed from time to time and amended accordingly subject to Board approval.

***Rahim Suleman – President and Chief Executive Officer***

Rahim Suleman, the President and Chief Executive Officer, entered into an employment agreement with Neo on July 7, 2023, with an indefinite term. The employment agreement provides that Mr. Suleman will be employed as President and Chief Executive Officer of Neo and its affiliates and supersedes and replaces prior employment agreements.

If Neo terminates Mr. Suleman's employment as a result of the death or disability of Mr. Suleman or willful failure to properly perform his duties, Neo shall thereupon pay to him, in a single payment within 30 days of the date of termination, accrued salary, benefits, perquisites and vacation pay to the date of termination. The Corporation estimates that if Mr. Suleman's employment had been terminated on December 31, 2023 for the reasons described above, no further payments would have been made to Mr. Suleman beyond what is due to him on such date.

Upon the termination by Neo of the employment of Mr. Suleman other than for cause or Mr. Suleman terminates his employment for good reason, Neo shall thereupon pay to him (i) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (ii) in a single payment within 30 days of the date of termination, an amount equal to 24 months of his base salary plus 24 months of employee benefits (other than short and long-term disability benefits) for the 24 month period set out in (ii) above. The Corporation estimates that if Mr. Suleman's employment had been terminated on December 31, 2023 for any of the reasons described above, he would have been entitled to an aggregate payment of up to approximately \$1,443,700 (excluding supplementary benefits and other perquisites).

If, during the 24 months following a "change of control" (as defined in Mr. Suleman's employment agreement), Neo terminates Mr. Suleman's employment, or Mr. Suleman terminates his employment for good reason, Neo shall pay to him a lump sum "change of control" payment equivalent to the aggregate of (i) twice his then current base salary; (ii) the targeted bonus amount for the applicable year, (iii) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (iv) employee benefits (other than short and long-term disability benefits) for the 24 month period following the date of retirement; and (v) a lump sum payment, in an amount equal to the difference between C\$4 million and the realized pre-tax value of any awards granted to Mr. Suleman after May 1, 2023 pursuant to the Omnibus LTIP, after giving effect to any accelerated vesting of such awards. The Corporation currently estimates that in the event that the "change of control" provisions were triggered in 2023 and Mr. Suleman had terminated his employment for good reason in accordance with his employment agreement with an effective date of December 31, 2023, Mr. Suleman would have been entitled to a lump sum "change of control" payment of up to approximately \$2,294,300 (excluding supplementary benefits, value from accelerated equity vesting and other perquisites).

In each of the cases described above, the Corporation will settle any long-term incentive awards in accordance with the provisions of the application plan governing such awards.

***Jonathan Baksh – Executive Vice President and Chief Financial Officer***

Jonathan Baksh, the Executive Vice President and Chief Financial Officer, entered into an employment agreement with Neo on June 19, 2023, with an indefinite term. The employment agreement provides that Mr. Baksh will be employed as Executive Vice President and Chief Financial Officer of Neo and its affiliates.

If Neo terminates Mr. Baksh's employment as a result of the death or disability of Mr. Baksh or willful failure to properly perform his duties, Neo shall thereupon pay to him, in a single payment within 30 days of the date of termination, accrued salary, benefits, perquisites and vacation pay to the date of termination. The Corporation estimates that if Mr. Baksh's employment had been terminated on December 31, 2023 for the reasons described above, no further payments would have been made to Mr. Baksh beyond what is due to him on such date.

Upon the termination by Neo of the employment of Mr. Baksh other than for cause or Mr. Baksh terminates his employment for good reason, Neo shall thereupon pay to him (i) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (ii) in a single payment within 30 days of the date of termination, an amount equal to 12 months of his base salary plus one month of his base salary for each year of completed employment up to a maximum of 12 years; and (iii) employee benefits (other than short and long-term disability benefits) for up to the 24 month period set out in (ii) above. The Corporation estimates that if Mr. Baksh's employment

had been terminated on December 31, 2023 for any of the reasons described above, he would have been entitled to an aggregate payment of up to approximately \$340,200 (excluding supplementary benefits and other perquisites).

If, during the 24 months following a "change of control" (as defined in Mr. Baksh's employment agreement), Neo terminates Mr. Baksh's employment, or Mr. Baksh terminates his employment for good reason, Neo shall pay to him a lump sum "change of control" payment equivalent to the aggregate of (i) twice his then current base salary; (ii) the targeted bonus amount for the applicable year, (iii) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, and (iv) employee benefits (other than short and long-term disability benefits) for the 24 month period following the date of retirement. The Corporation currently estimates that in the event that the "change of control" provisions were triggered in 2023 and Mr. Baksh had terminated his employment for good reason in accordance with his employment agreement with an effective date of December 31, 2023, Mr. Baksh would have been entitled to a lump sum "change of control" payment of up to approximately \$864,900 (excluding supplementary benefits, value from accelerated equity vesting and other perquisites).

In each of the cases described above, the Corporation will settle any long-term incentive awards in accordance with the provisions of the application plan governing such awards.

#### ***Kevin Morris – Executive Vice President and Chief Strategy Officer***

Kevin Morris, the Executive Vice President and Chief Strategy Officer, entered into the third amended and restated employment agreement with Neo Chemicals & Oxides, LLC ("**Neo C&O**") on January 1, 2018, with an indefinite term. The employment agreement provides that Mr. Morris will be employed as Executive Vice President and Chief Operating Officer of Neo and its affiliates. On January 1, 2023, Mr. Morris ceased to be the Chief Operating Officer and was appointed Executive Vice President and Chief Strategy Officer.

If Neo C&O terminates Mr. Morris' employment as a result of the death or disability of Mr. Morris or willful failure to properly perform his duties, Neo C&O shall thereupon pay to him, in a single payment within 30 days of the date of termination, accrued salary, benefits, perquisites and vacation to the date of termination. The Corporation estimates that if Mr. Morris' employment had been terminated on December 31, 2023 for the reasons described above, no further payments would have been made to Mr. Morris beyond what is due to him up to such date.

Upon the termination by Neo C&O of the employment of Mr. Morris for other than for cause or Mr. Morris terminates his employment for good reason, Neo C&O shall thereupon pay to him (i) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (ii) over a period of 24 months, an amount equal to 18 months of his base salary plus one additional month of salary for every full year of service, to a maximum of 24 months, and (iii) employee benefits (other than short and long-term disability benefits) for the 18 month period. The Corporation estimates that if Mr. Morris' employment were to have been terminated on December 31, 2023 for any of the reasons described above, he would have been entitled to an aggregate payment of up to approximately \$978,400 (excluding supplementary benefits and other perquisites).

If, during the 24 months following a "change of control" (as defined in Mr. Morris' employment agreement), Neo C&O terminates Mr. Morris' employment, or Mr. Morris terminates his employment for good reason, Neo C&O shall pay to him a lump sum "change of control" payment equivalent to the aggregate of (i) twice his then current base salary; (ii) the targeted bonus amount for the applicable year, (iii) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, and (iv) employee benefits (other than short and long-term disability benefits) for the 18 month period following the date of retirement. The Corporation currently estimates that in the event that the "change of control" provisions were triggered in 2023 and Mr. Morris had terminated his employment for good reason in accordance with his employment agreement with an effective date of December 31, 2023, Mr. Morris would have been entitled to a lump sum "change of control" payment of up to approximately \$1,263,400 (excluding supplementary benefits value, from accelerated equity vesting and other perquisites).

In each of the cases described above, the Corporation will settle any long-term incentive awards in accordance with the provisions of the application plan governing such awards.

***Jeff Hogan – Executive Vice President, Chemicals & Oxides***

Jeff Hogan, the Executive Vice President, Chemical & Oxides, entered into the third amended and restated employment agreement with Neo C&O on January 1, 2018, with an indefinite term. The employment agreement provides that Mr. Hogan will be employed as Executive Vice President, Chemicals & Oxides.

If Neo C&O terminates Mr. Hogan's employment as a result of the death or disability of Mr. Hogan or willful failure to properly perform his duties, Neo C&O shall thereupon pay to him, in a single payment within 30 days of the date of termination, accrued salary, benefits, perquisites and vacation pay to the date of termination. The Corporation estimates that if Mr. Hogan's employment were to have been terminated on December 31, 2023 for any of the reasons described above, no further payments would be made to Mr. Hogan beyond what is due to him up to such date.

Upon the termination by Neo C&O of the employment of Mr. Hogan other than for cause or Mr. Hogan terminates his employment for good reason, the Corporation shall thereupon pay to him (i) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (ii) an amount equal to twice his base salary over a period of 24 months, and (iii) employee benefits (other than short and long-term disability benefits) for 18 months. The Corporation estimates that if Mr. Hogan's employment were to have been terminated on December 31, 2023 for the reasons described above, he would have been entitled to an aggregate payment of up to approximately \$853,000 (excluding supplementary benefits and other perquisites).

If, during the 24 months following a "change of control" (as defined in Mr. Hogan's employment agreement), Neo C&O terminates Mr. Hogan's employment, or Mr. Hogan terminates his employment for good reason, Neo C&O shall pay to him a lump sum "change of control" payment equivalent to the aggregate of (i) twice his then current base salary; (ii) the targeted bonus amount for the applicable year, (iii) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, and (iv) employee benefits (other than short and long-term disability benefits) for the 18 month period following the date of retirement. The Corporation currently estimates that in the event that the "change of control" provisions were triggered in 2023 and Mr. Hogan had terminated his employment for good reason in accordance with his employment agreement with an effective date of December 31, 2023, Mr. Hogan would have been entitled to a lump sum "change of control" payment of up to approximately \$1,080,600 (excluding supplementary benefits value accelerated equity vesting and other perquisites).

In each of the cases described above, the Corporation will settle any long-term incentive awards in accordance with the provisions of the application plan governing such awards.

***Greg Kroll – Executive Vice President, Magnequench***

Greg Kroll, the Executive Vice President, Magnequench, entered into an employment agreement with Neo Singapore on January 1, 2018, with an indefinite term. The employment agreement provides that Mr. Kroll will be employed as Executive Vice President, Magnequench.

If Neo Singapore terminates Mr. Kroll's employment as a result of the death or disability of Mr. Kroll or willful failure to properly perform his duties, Neo Singapore shall thereupon pay to him, in a single payment within 30 days of the date of termination, accrued salary, benefits, perquisites and vacation pay to the date of termination. The Corporation estimates that if Mr. Kroll's employment were to have been terminated on December 31, 2023 for any of the reasons described above, no further payments would be made to Mr. Kroll beyond what is due to him up to such date.

Upon the termination by Neo Singapore of the employment of Mr. Kroll other than for cause or Mr. Kroll terminates his employment for good reason, the Corporation shall thereupon pay to him (i) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (ii) an amount equal to twice his base salary over a period of 24 months, and (iii) employee benefits (other than short and long-term disability benefits) for 18 months. The Corporation estimates that if Mr. Kroll's employment were to have been terminated on December 31, 2023 for the reasons described above, he would have been entitled to an aggregate payment of up to approximately \$864,900 (excluding supplementary benefits and other perquisites).

If, during the 24 months following a "change of control" (as defined in Mr. Kroll's employment agreement), Neo Singapore terminates Mr. Kroll's employment, or Mr. Kroll terminates his employment for good reason, Neo Singapore shall pay to him a lump sum "change of control" payment equivalent to the aggregate of (i) twice his then

current base salary; (ii) the targeted bonus amount for the applicable year, (iii) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, and (iv) employee benefits (other than short and long-term disability benefits) for the 18 month period following the date of retirement. The Corporation currently estimates that in the event that the "change of control" provisions were triggered in 2023 and Mr. Kroll had terminated his employment for good reason in accordance with his employment agreement with an effective date of December 31, 2023, Mr. Kroll would have been entitled to a lump sum "change of control" payment of up to approximately \$1,096,000 (excluding supplementary benefits value accelerated equity vesting and other perquisites).

In each of the cases described above, the Corporation will settle any long-term incentive awards in accordance with the provisions of the application plan governing such awards.

## Director Compensation

The directors' compensation program is designed to attract and retain qualified individuals to serve on the Board. Non-executive directors are paid an annual retainer fee, with additional amounts paid to each chair of the Board, Compensation and Human Resources Committee and Audit Committee. The Board is satisfied that its fee structure is reasonable for a company that operates in 10 countries and shares many of the complexities of other global multinational organizations having significantly higher market capitalizations.

### *Deferred Share Units*

On May 9, 2018, the Corporation established a Directors Share Unit Plan (the "**DSU Plan**") for members of the Board. Under the DSU Plan, the Compensation and Human Resources Committee determined, once a year, what portion of the directors' annual remuneration shall be paid as deferred share units ("**DSU**"). DSUs are fully vested upon issuance, and accumulate dividend equivalents in the form of additional DSUs based on the dividends paid on the Common Shares. DSUs are redeemable for cash only following retirement from the Board or death of the director. The value of the DSU when converted to cash will be equivalent to the market value of the Common Shares at the time the conversion takes place. The DSU Plan was replaced by the Omnibus LTIP. All outstanding DSUs will continue to be governed by the terms of the DSU Plan, but any DSUs granted in the future will be governed by the Omnibus LTIP.

The following table sets out the fee structure of the Board at December 31, 2023:

(all figures in US\$)	Cash Portion <sup>(4)</sup>	DSU Portion <sup>(4)</sup>	Total
Board Chair Retainer	140,000	100,000	240,000
Non-Executive Board Member Retainer	80,000	75,000	125,000
Lead Director Retainer	80,000	75,000	125,000
Audit Committee Chair Retainer	20,000	Nil	20,000
Audit Committee Member Retainer	7,000	Nil	7,000
Compensation and Human Resources Committee Chair Retainer	10,000	Nil	10,000
Compensation and Human Resources Committee Member Retainer	5,000	Nil	5,000
Corporate Governance and Nominating Committee Chair Retainer	10,000	Nil	10,000
Corporate Governance and Nominating Committee Member Retainer	5,000	Nil	5,000
HESS Committee Chair Retainer	10,000	Nil	10,000
HESS Committee Member Retainer	5,000	Nil	5,000

#### Notes:

- (1) All directors are entitled to reimbursement of reasonable expenses incurred by them acting in their capacity as directors.
- (2) No directors fees are payable to directors who are executive officers of the Corporation.
- (3) Directors may be entitled to additional fees in the event that any ad hoc or other committees of the Board are struck from time to time.
- (4) In August 2023, the Board approved: (i) an increase of the cash portion of Non-Executive Board Member Retainer and Lead Director Retainer to \$80,000, to be effective for cash fees paid after August 11, 2023 and; (ii) an increase of the DSU portion of Non-Executive Board Member Retainer and Lead Director Retainer to \$90,000, effective on the next grant date in 2024.

*Director compensation table*

Cash fees were paid to non-executive directors in 2023. The directors are reimbursed for miscellaneous out-of-pocket expenses incurred in carrying out their duties as directors.

The following table sets out the total compensation earned by each non-executive director who served in that capacity for any part of the most recently completed financial year:

<b>Name</b>	<b>Fees earned (\$)</b>	<b>Option Based Awards</b>	<b>Share Based Awards<sup>(1)</sup> (\$)</b>	<b>Non-equity incentive plan compensation (\$)</b>	<b>Pension value (\$)</b>	<b>Other Compensation (\$)</b>	<b>Total<sup>(2)</sup> (\$)</b>
Claire M.C. Kennedy	200,932	Nil	100,000	Nil	Nil	Nil	300,932
Eric Noyrez	99,658	Nil	75,000	Nil	Nil	9,920	184,578
G. Gail Edwards	111,658	Nil	75,000	Nil	Nil	Nil	186,658
Edgar Lee	99,726	Nil	75,000	Nil	Nil	Nil	174,726
Yadin Rozov	108,069	Nil	75,000	Nil	Nil	Nil	183,069
Hua Du	15,476	Nil	Nil	Nil	Nil	Nil	15,476

**Notes:**

- (1) Represents amounts issued as DSUs, payable in cash on retirement or death of the director.
- (2) Includes fees payable for sitting on standing, ad hoc and special committees of the Board.

*Directors' Incentive Plan Awards – Option-Based and Share-Based Awards Outstanding*

Certain directors of Neo Cayman, who are now directors of Neo, were granted Legacy Options, Legacy RSUs and Legacy PSUs in 2016 under the Legacy Plan. See "Other Compensation – The Legacy Plan" to purchase ordinary shares of Neo Cayman pursuant to the Legacy Plan. Since the Corporation has assumed the obligation to issue Common Shares underlying the securities outstanding pursuant to the Legacy Plan, the Legacy Options when exercised, and the Legacy RSUs and Legacy PSUs when vested, will result in the issuance of Common Shares rather than ordinary shares of Neo Cayman.

<b>Name</b>	<b>Option-based Awards</b>			<b>Share-Based Awards</b>			
	<b>Number of securities underlying unexercised options (#)<sup>(1)</sup></b>	<b>Option exercise price (\$)</b>	<b>Option Expiration Date</b>	<b>Value of unexercised in-the-money options (\$)</b>	<b>Number of share-based awards that have not vested</b>	<b>Market or payout value of share-based awards that have not vested (\$)</b>	<b>Market or payout value of vested share-based awards not paid out or distributed (\$)</b>
Eric Noyrez .....	33,336	9.37	Sept 1, 2026	Nil	Nil	Nil	Nil

**Notes:**

- (1) The number reflects the number of Common Shares issuable on exercise of Legacy Options.

## **Indemnification and Insurance**

The Corporation maintains director and officer liability insurance to limit the Corporation's exposure to claims against, and to protect, its directors and officers. In addition, the Corporation or Neo, as the case may be, has entered into indemnification agreements with each of its directors and officers. The indemnification agreements require that the Corporation or Neo, as the case may be, indemnify and hold the indemnitees harmless to the greatest extent permitted by law for liabilities arising out of the indemnitees' service to the Corporation as directors and officers, provided that the indemnitees acted honestly and in good faith and in a manner the indemnitees reasonably believed to be in, or not opposed to, the Corporation's best interests. The indemnification agreements also provide for the advancement of defense expenses to the indemnitees by the Corporation.

## **INDEBTEDNESS OF DIRECTORS AND OFFICERS OF THE CORPORATION**

As of December 31, 2023 and of the date of this Information Circular, none of the officers or directors of the Corporation were indebted to the Corporation, other than routine indebtedness (as defined in applicable securities regulations).

## **CORPORATE GOVERNANCE OF THE CORPORATION**

### **Statement of Corporate Governance Practices**

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (the "**Guidelines**") requires certain disclosure regarding the corporate governance practices of the Corporation. The Corporation is pleased to make the following disclosure regarding its corporate governance policies.

The Corporation's articles of incorporation provide that its Board be comprised of a minimum of three and a maximum of 15 directors. In accordance with the OBCA, the Board may appoint one or more additional directors who shall hold office until the close of the next annual meeting of shareholders, provided that the total number of directors so appointed may not exceed one-third of the number of directors elected at the previous annual meeting of shareholders. Further particulars of the process by which compensation for the executive officers is determined is provided under "*Executive Compensation – Compensation Discussion and Analysis*".

The Corporation's Board is currently comprised of seven directors: Claire M.C. Kennedy, Eric Noyrez, Rahim Suleman, Edgar Lee, G. Gail Edwards, Yadin Rozov and Hua Du.

The Board has established the Audit Committee, the Compensation and Human Resources Committee, the Corporate Governance and Nominating Committee and the HESS Committee and has approved mandates for each of these committees, which are described below. In addition, the Board may appoint ad hoc and special committees from time to time.

The Board has delegated to the applicable committee those duties and responsibilities set out in each committee's mandate. The mandate of the Board, as well as the mandates of various Board committees, set out in writing the responsibilities of the Board and the committees for supervising the Chief Executive Officer.

### **Board of Directors Mandate**

The Board, directly and through its committees, oversees management and is responsible for the stewardship of the Corporation, ensuring that long-term value is being created for all of its shareholders while considering the interests of the Corporation's various stakeholders including shareholders, employees, clients, suppliers and the community.

The responsibilities of the Board include, among other things, ensuring that:

- all Board members understand the business of the Corporation;
- processes are in place to effectively plan, monitor and manage the long-term viability of the Corporation;

- there is a balance between long and short-term goals and risks;
- management's performance is adequate and that an adequate management succession plan is in place;
- communication with shareholders and other stakeholders is timely and effective;
- the Board shall adopt appropriate procedures designed to permit the Board to receive feedback from shareholders on material issues;
- business is conducted ethically and in compliance with applicable laws and regulations;
- assess and manage risks of the business, including operational, health and safety, IT and cyber security risk; and
- all matters requiring shareholder approval are referred to the Board.

A copy of the mandate of the Board is attached as Appendix "C" to this Information Circular.

### **Independence**

The Board is comprised of seven directors: six of whom are independent of management (being Eric Noyrez, Claire Kennedy, Edgar Lee, G. Gail Edwards, Yadin Rozov and Hua Du) and one of whom (being Rahim Suleman, the President and Chief Executive Officer of the Corporation) is not independent.

In addition to chairing all Board meetings, Ms. Kennedy's role as the Chair is to facilitate and chair discussions among the Corporation's independent directors, facilitate communication between the independent directors and the Corporation's management and, if and when necessary, act as a spokesperson on behalf of the Board in dealing with the press and members of the public. The Board holds regularly scheduled meetings as well as ad hoc meetings from time to time. The independent directors of the Corporation hold an in camera session at the end of each regularly scheduled meeting of directors.

The Board recognizes the importance of independent leadership on the Board, and has appointed Eric Noyrez, independent director, as Lead Director. The Board has developed a formal position description for the Lead Director of the Board. The position description for the Lead Director of the Board provides, among other things, that the Lead Director: (i) provides input to the Chair of the Board on preparation of agendas for meetings of the Board; (ii) assists the Chair to endeavour to ensure Board leadership responsibilities are conducted in a manner that allows the Board to function independently of management; (iii) considers, and allows for, when appropriate, a meeting of all independent directors, so that Board meetings can take place without management being present; and (iv) endeavours to ensure reasonable procedures are in place for directors to engage outside advisors at the expense of the Corporation in appropriate circumstances, subject to his or her prior approval.

The Board delegates a number of responsibilities to the Audit Committee, the Compensation and Human Resources Committee, the HESS Committee and the Corporate Governance and Nominating Committee. Where potential conflicts arise during a director's tenure on the Board, such conflicts are expected to be immediately disclosed to the Board.

### **Audit Committee**

The Audit Committee of the Corporation is responsible for the Corporation's financial reporting process and the quality of its financial reporting. The Audit Committee is charged with the mandate of providing independent review and oversight of the Corporation's financial reporting process, the system of internal control and management of financial risks, and the audit process, including the selection, oversight and compensation of the Corporation's external auditors. In performing its duties, the Audit Committee maintains effective working relationships with the Board, management, and the external auditors and monitors the independence of those auditors.

### ***Composition of the Audit Committee***

As of the date hereof, the Board members of the Corporation's Audit Committee are:

<b>Name</b>	<b>Independent</b>	<b>Financially Literate</b>
G. Gail Edwards (Chair).....	Yes	Yes
Claire Kennedy.....	Yes	Yes
Eric Noyrez.....	Yes	Yes
Yadin Rozov.....	Yes	Yes

### ***Relevant Education and Experience***

<b>Name of Member</b>	<b>Relevant Experience and Qualifications</b>
<b>G. Gail Edwards (Chair)</b>	Gail Edwards has been a director of Neo since June 2019 and is Chair of the Audit Committee. She is a C-suite financial and real estate executive who is currently a director of Amica Senior Lifestyles and Chair of the Audit Committee, as well as a director and Audit Committee Chair of Victory Holdco LLP, based in New York and is considered to be an "audit financial expert", as defined by proxy advisory governance guidelines. Ms. Edwards is also a member of the Real Estate Advisory Committee (REAC) for OP Trust, which manages one of Canada's largest pension funds, and a member of the REAC of the New York State Common Retirement Fund which manages funds in excess of US\$250 billion. Ms. Edwards has held executive management positions with the Minto Group, JH Investments Inc., a New York based real estate developer, a NYSE listed entertainment company, a U.S. based global food service and hospitality company and a Canadian banking institution. Ms. Edwards has her ICD.D designation and is a Canadian Chartered Accountant holding a Bachelor of Science degree in Mathematics from the University of Western Ontario.
<b>Claire Kennedy</b>	Ms. Kennedy has been a director of Neo since October 2017. Ms. Kennedy was a member of the board of directors of NEM from February 2010 to June 2012 and served on the Audit Committee. Ms. Kennedy is a lawyer and Senior Advisor, Clients and Industries in the Toronto office of Bennett Jones LLP. Ms. Kennedy is Lead Director of the Bank of Canada. She is also a director of Alamos Gold Inc., and serves as Audit Committee Chair, and is a director of Constellation Software Inc. She is also a member of the Dean's Advisory Committee at the Rotman School of Management. Ms. Kennedy was formerly Chair of the Governing Council of the University of Toronto. Ms. Kennedy holds a Bachelor of Applied Science degree in chemical engineering from the University of Toronto, a law degree from Queen's University, and an honorary doctorate from U of T and has completed the University of Chicago's Booth School of Business Advanced Management Program. She was a partner of Bennett Jones LLP until July 2019 when she became Senior Advisor. She also holds the ICD.D designation from the Institute of Corporate Directors and the P.Eng. designation from Professional Engineers Ontario.
<b>Eric Noyrez</b>	Mr. Noyrez has been an independent and Lead Director of Neo since October 2017, and prior to which he was an independent director of Neo C&O from August 31, 2016. Since October 2018, he has served as the Chief Executive Officer of, and later as an advisor to, Serra Verde Rare Earths, a company aiming at developing and producing a rare earths concentrate. Since 2014, he acted as a board member and advisor for various entities. From February 2010 to June 2014, he served successive roles from Chief Operating Officer to Director and Chief Executive Officer at Lynas Corporation, an integrated rare earth mining and separation company. Prior to Lynas, he served as President of the SILCEA division of Rhodia (named Solvay S.A. now) and before 2000, spent 11 years in different business leadership roles at Shell. Eric started his career as an automotive designer at Peugeot-Citroën. He holds a Master's Degree in Engineering (Meng) from École des Mines de Douai, France.

<u>Name of Member</u>	<u>Relevant Experience and Qualifications</u>
<b>Yadin Rozov</b>	Mr. Rozov has over 20 years of experience in capital markets, corporate finance, investment banking, and investment management, and serves as a board member for banking, insurance, chemicals, and pharmaceutical companies. Mr. Rozov is also the founder and Managing Partner of Terrace Edge Ventures LLC, and previously a Partner of GoldenTree Asset Management LLC, a leading global credit asset management firm. Additionally, he was a Partner and Managing Director at Moelis & Company, where he headed the Financial Institution Advisory Group and was one of the founders of College Ave Student Loans LLC. Mr. Rozov earned an M.Sc. in data science from Columbia University and a B.S. degree with highest honors in physics and materials engineering from Rutgers University.

***Audit Committee Oversight***

Since the commencement of the Corporation's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

***Pre-Approval Policies and Procedures***

In the event that the Corporation wishes to retain the services of the Corporation's external auditors for any non-audit services, prior approval of the Audit Committee must be obtained.

***Audit Fees***

The aggregate fees billed by the Corporation's external auditor for audit fees in the last two fiscal years are approximately as follows:

Financial Year Ended	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2022	\$1,835,919	\$159,303	\$79,190	\$197,594
December 31, 2023	\$1,915,105	\$2,715	\$228,792	nil

The nature of the category and description of fees is summarized below.

Audit Fees. The fees disclosed in the table above under the item "Audit Fees" represent fees billed for audit and interim review services performed in connection with Neo's consolidated financial statements, as well as consent procedures in respect of the primary and secondary offerings.

Audit Related Fees. The fees disclosed in the table above under the item "Audit Related Fees" represent fees related to assurance, due diligence and related services not included in audit services.

Tax Fees. These fees were for tax compliance services for corporation tax filings.

All Other Fees. These fees were form tax advisory services, including transfer pricing documentation and other advisory services.

**Corporate Governance and Nominating Committee**

The Corporate Governance and Nominating Committee is currently composed of three independent directors. This Committee is responsible for: (i) making recommendations to the full Board with respect to developments in the area of corporate governance and the practices of the Board; (ii) developing the Corporation's approach to governance issues; and (iii) reporting to the Board with respect to appropriate candidates for nominations to the Board, and for evaluating the performance of the Board.

## **HESS Committee**

The primary function of the Health, Environment, Safety and Sustainability ("**HESS**") Committee of the Board is to assist the Board in fulfilling its oversight responsibilities relating to the Company's policies, standards, goals and objectives, and compliance systems regarding HESS matters. The HESS Committee shall provide oversight on work relative to: (i) the protection of the health and safety of employees, contractors, customers, and the public; (ii) the protection of Company property; (iii) the protection of the environment and; (iv) the promotion of sustainable business practices.

## **Orientation and Continuing Education**

New directors of the Corporation will participate in an initial information session on the Corporation in the presence of its senior executive officers to learn about, among other things, the business of the Corporation, its financial situation and its strategic planning. In addition, new directors will be furnished with appropriate documentation, providing them with information about, among other matters, the corporate governance practices of the Corporation, the structure of the Board and its committees, the Corporation's history, its commercial activities, its corporate organization, the charters of the Board and its committees, the Corporation's articles of incorporation and by-laws, the Code of Conduct (as defined below) and other relevant corporate policies.

The Corporation encourages all directors to attend continuing education programs and intends to facilitate such continuing education of its directors by providing them with information on upcoming courses and seminars that may be relevant to their role as directors or hosting brief information sessions during Board meetings by invited external advisors. In addition, the Corporation's management periodically makes presentations to the directors on various topics, trends and issues related to the Corporation's activities during meetings of the Board or its committees, which is intended to help the directors to constantly improve their knowledge about the Corporation and its business.

## **Ethical Business Conduct**

The Board has adopted a written Code of Conduct (the "**Code of Conduct**") that applies to all of its directors, officers and employees, as well as its direct and indirect subsidiaries. The objective of the Code of Conduct is to provide guidelines for demonstrating the highest standard of business conduct and enhancing its reputation for honesty, integrity and the faithful performance of undertakings. The Code of Conduct addresses maintaining a positive work environment, conflicts of interest, confidentiality, use and protection of the Corporation's assets and inventions, use of the Corporation's email and Internet services, financial integrity, compliance with laws and reporting misconduct. As part of its Code of Conduct, any person subject to the Code of Conduct is required to avoid any activity, interest (financial or otherwise) or relationship that would create or appear to create a conflict of interest.

The directors are responsible for monitoring compliance with the Code of Conduct, for regularly assessing its adequacy, for interpreting the Code of Conduct in any particular situation and for approving changes to the Code of Conduct from time to time. As part of the Board monitoring compliance with the Code of Conduct, the Corporation has established procedures by which employees can make a confidential report of wrongdoing or suspected wrongdoing through a third-party corporation. The Board receives and reviews such reports on a regular basis.

Directors and executive officers are required by applicable law and the Corporation's corporate governance practices and policies to promptly disclose any potential conflict of interest that may arise. If a director or executive officer has a material interest in an agreement or transaction, applicable law and principles of sound corporate governance require them to declare the interest in writing and where required by applicable law, to abstain from voting with respect to such agreement or transaction.

A copy of the Code of Conduct may be obtained free of charge by contacting the Corporation and is available for review under the Corporation's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

The Corporation has also adopted a disclosure policy, which complements the obligations of its directors, officers and employees under the Code of Conduct.

## **Assessments**

The Board does not formally review the contribution and effectiveness of the Board, its members or committees. The Board believes that its size facilitates an informal review process through discussion and evaluation between the Chair of the Board, the Lead Director, the Chief Executive Officer and the Chair of the Compensation and Human Resources Committee.

## **Majority Voting Policy**

In accordance with the requirements of the TSX, the Corporation has adopted a majority voting policy in director elections that will apply at any meeting of its shareholders where an uncontested election of directors is held. Pursuant to this policy, if the number of proxy votes withheld for a particular director nominee is greater than the votes for such director, the director nominee will be required to submit his or her resignation as a director to the Chair of the Board promptly following the applicable shareholders' meeting. Following receipt of the resignation, the Board will consider whether or not to accept the offer of resignation, and will do so absent exceptional circumstances. Within 90 days following the applicable shareholders' meeting, the Board shall publicly disclose its decision whether or not to accept the applicable director's resignation, including the reasons for rejecting the resignation, if applicable. A director who tenders his or her resignation pursuant to this policy will not be permitted to participate in any meeting of the Board at which the resignation is considered.

## **Board Removal**

The Corporation has not adopted term limits or other mechanisms of Board renewal for directors of the Corporation. The Board believes that the need to have experienced directors who are familiar with the business of the Corporation must be balanced with the need for renewal, fresh perspectives and a healthy skepticism when assessing management and its recommendations. In addition, as mentioned above, the Board undertakes an assessment process that evaluates its effectiveness.

While term limits can help ensure the Board gains fresh perspective, the Board believes that term limits have the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Corporation and its operations and thereby provide an increasing contribution to the Board as a whole.

## **Board and Senior Management Diversity**

The independent directors of the Corporation are currently comprised of 33.3% women (2 of 6) and the senior management team is comprised of 25% women (2 of 8). The Board is comprised of 57% racialized and ethnically diverse directors (4 of 7) and the senior management team is comprised of 50% (4 of 8) racialized and ethnically diverse persons. The Corporation recognizes and embraces the benefits of having diversity on the Board and in its senior management, in particular, having different perspectives, experiences and ideas.

The Corporation also recognizes that the Board and its senior management appointments must be based on performance, ability, merit and potential. Therefore, the Corporation ensures a merit-based competitive process for appointments. The Corporation's commitment to diversity will include ensuring that diversity is fully considered by the Board in identifying, evaluating and recommending Board appointees/nominees. Accordingly, the Corporation has not adopted a diversity policy at this time.

With respect to the Board composition, as appropriate, the Board will: (i) assess the effectiveness of the Board appointment/nomination process at achieving the Corporation's diversity objectives; and (ii) consider and, if determined advisable, recommend for adoption, measurable objectives for achieving diversity on the Board. At any given time, the Board may seek to adjust one or more objectives concerning diversity and measure progress accordingly.

## **By-Laws**

### *Advance Notice Provisions*

The by-laws of the Corporation include certain advance notice provisions with respect to the election of directors (the "**Advance Notice Provisions**"). The Advance Notice Provisions are intended to: (i) facilitate orderly and efficient annual general meetings or, where the need arises, special meetings; (ii) ensure that all shareholders receive adequate notice of Board nominations and sufficient information with respect to all nominees; and (iii) allow shareholders to register an informed vote. Only persons who are nominated by shareholders in accordance with the Advance Notice Provisions will be eligible for election as directors at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors.

Under the Advance Notice Provisions, a shareholder wishing to nominate a director would be required to provide the Corporation prior notice, in the prescribed form, within the prescribed time periods. These time periods include: (i) in the case of an annual meeting of shareholders (including annual and special meetings), not less than 30 days prior to the date of the annual meeting of shareholders; provided, that if the first public announcement of the date of the annual meeting of shareholders (the "**Notice Date**") is less than 50 days before the meeting date, not later than the close of business on the 10<sup>th</sup> day following the Notice Date; and (ii) in the case of a special meeting of shareholders (which is not also an annual meeting) called for any purpose which includes electing directors, not later than the close of business on the 15<sup>th</sup> day following the Notice Date, provided that, in either instance, if notice-and-access (as defined in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*) is used for delivery of proxy-related materials in respect of a meeting described above, and the Notice Date in respect of the meeting is not less than 50 days prior to the date of the applicable meeting, the notice must be received not later than the close of business on the 40<sup>th</sup> day before the applicable meeting.

### *Forum Selection*

The by-laws of the Corporation include a forum selection provision in its by-laws that provides that, unless the Corporation consents in writing to the selection of an alternative forum, the Superior Court of Ontario (Commercial List), Canada and the appellate courts therefrom will be the sole and exclusive forum for: (i) any derivative action or proceeding brought on the Corporation's behalf; (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of the Corporation's directors, officers, or other employees to the Corporation; (iii) any action or proceeding asserting a claim arising pursuant to any provision of the applicable corporate laws or the articles of incorporation or the by-laws of the Corporation (as either may be amended from time to time); or (iv) any action or proceeding asserting a claim otherwise related to the relationships among the Corporation, its affiliates and their respective shareholders, directors and/or officers, but excluding claims related to the business carried on by the Corporation or its affiliates and their respective shareholders, directors and/or officers. The forum selection provision also provides that the Corporation's securityholders are deemed to have consented to personal jurisdiction in the Province of Ontario and to service of process on their counsel in any foreign action initiated in violation of the foregoing provisions.

## **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

Set out below is information as of December 31, 2023 with respect to compensation plans under which equity securities of the Corporation are authorized for issuance.

### *Equity Compensation Plan Information*

As at December 31, 2023, the maximum number of securities available to be issued pursuant to the Omnibus LTIP are set out below:

	Number of securities to be issued upon exercise of outstanding options, warrants and rights as at December 31, 2023 (a)	Weighted average exercise price of outstanding options, warrants and rights as at December 31, 2023 (C\$) (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) as at December 31, 2023 (c)
Omnibus LTIP	1,791,129		573,871
Option Plan	121,169		-
Legacy Plan	697,354		-
<b>Total</b>	2,609,652	9.77	573,871

### DIRECTOR'S AND OFFICER'S INSURANCE

The Corporation has purchased, at its expense, director's and officer's liability insurance in the aggregate amount of US\$50 million for the protection of its directors and officers against liability incurred by them in their capacities as directors and officers of the Corporation and its subsidiaries.

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

Except as otherwise disclosed in this Information Circular, no person who has been a director or executive officer of the Corporation since the beginning of the last financial year, no proposed nominee for election as a director of the Corporation and no associate or affiliate of any such director or executive officer has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as stated below or elsewhere in this Information Circular, no informed person, director, executive officer, nominee for director, any person who beneficially owns, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding shares of the Corporation, nor any associated or affiliate of such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or any proposed transaction which has materially affected or would materially affect the Corporation.

### OTHER BUSINESS

Management of the Corporation knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if matters not now known to management should come before the Meeting, Common Shares represented by proxies solicited by management will be voted on each such matter in accordance with the best judgment of the nominees voting same.

## PART IV ADDITIONAL INFORMATION

A copy of the following documents may be obtained, without charge, upon request to the Corporate Secretary, Neo Performance Materials Inc., Suite 1740, 121 King Street West, Toronto, Ontario, M5H 3T9, telephone (416) 367-8588, facsimile (416) 367-5471:

- (a) the Financial Statements of the Corporation for the year ended December 31, 2023 and the management's discussion and analysis thereof; and

(b) this Information Circular.

Additional information relating to the Corporation is available online from the Corporation's website at [www.neomaterials.com](http://www.neomaterials.com) and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Financial information is provided in the Corporation's consolidated financial statements and management's discussion and analysis for its most recently completed financial year, a copy of which can be accessed online from the Corporation's website at [www.neomaterials.com](http://www.neomaterials.com) and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

#### **DIRECTORS' APPROVAL**

The contents of this Information Circular and the sending of it to the Shareholders of the Corporation, to each director of the Corporation, to the auditor of the Corporation and to the appropriate governmental agencies have been approved by the Board.

Unless otherwise noted, the information contained herein is given as of May 10, 2024.

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

**DATED:** May 10, 2024.

By Order of the Board

*/s/ "Rahim Suleman"*

President and Chief Executive Officer

*/s/ "Alexander D. Caldwell"*

Corporate Secretary

## APPENDIX "A"

### GLOSSARY OF TERMS

"**Arrangement**" means the Cayman Islands scheme of arrangement completed on November 30, 2017, pursuant to which the Corporation acquired all of the issued and outstanding ordinary shares of Neo Cayman for an aggregate of 39,878,383 Common Shares;

"**Articles**" means the articles of continuance of the Corporation, as amended from time to time;

"**Board**" means the board of directors of the Corporation;

"**Business Day**" means a day, other than Saturdays, Sundays and statutory holidays, when the banks conducting business in the City of Toronto are generally open for the transaction of banking business;

"**Common Shares**" means the common shares in the capital of the Corporation;

"**Corporation**" means Neo Performance Materials Inc.;

"**Information Circular**" means the management information circular of the Corporation dated May 10, 2024;

"**Legacy Plan**" means the management incentive plan of Neo Cayman;

"**Meeting**" means the annual general meeting of Shareholders to be held on June 19, 2024 and any adjournment or postponement thereof;

"**Molycorp Acquisition**" means the acquisition of NEM by Molycorp Inc. by way of plan of arrangement, which became effective on June 11, 2012;

"**NEM**" means Neo Material Technologies Inc., the predecessor entity to Neo Cayman, which was acquired by Molycorp Inc., in the Molycorp Acquisition;

"**Neo Cayman**" means Neo Cayman Holdings Ltd., a company organized under the laws of the Cayman Islands, which the Corporation acquired pursuant to the Arrangement;

"**Neo C&O**" means Neo Chemicals and Oxides, LLC, an indirect subsidiary of the Corporation;

"**Notice of Meeting**" means the notice of meeting sent to Shareholders in respect of the Meeting;

"**OBCA**" means the *Business Corporations Act* (Ontario), as amended from time to time;

"**Omnibus LTIP**" means the omnibus long-term incentive plan of the Company adopted by the Board on May 28, 2021 and to be approved by Shareholders at the Meeting;

"**Option Plan**" means the option plan of the Corporation dated October 13, 2017;

"**Reorganization**" means the reorganization of the business of Molycorp, Inc., a predecessor company to the Corporation, under Chapter 11 of Title 11 of the United States Bankruptcy Code;

"**Shareholders**" means holders of Common Shares; and

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

## APPENDIX "B"

### Neo Performance Materials Inc. (the "Company")

#### MANDATE OF THE BOARD OF DIRECTORS

As approved by the Board of Directors of the Company (the "**Board**") on November 7, 2017, as amended by same on May 11, 2021.

##### A. MANDATE

The Board directly, and through its committees, oversees the management of the Company and is responsible for the stewardship of the Company, ensuring that long-term value is being created for all of its shareholders while considering the interests of the Company's various stakeholders including employees, customers, suppliers and the community.

##### B. BOARD COMPOSITION

The number of directors may be set from time to time by the Board within the minimum and maximum numbers approved by the Company's shareholders and as set out in the Company's constating documents. The directors shall be elected by the Company's shareholders, except as permitted by the *Business Corporations Act* (Ontario). If a vacancy occurs, the Board may identify, select and approve a replacement director, or may decide to reduce the size of the Board. The Board shall be comprised of an appropriate mix of directors to comply with applicable securities regulations, including any requirements in terms of director independence. A director shall be considered independent if he or she would be considered independent for the purposes of National Instrument 58-101 — *Disclosure of Corporate Governance Practices* ("**NI 58-101**").

The Board will appoint a Chair (the "**Chair**") and a Corporate Secretary. The Chair shall be designated from among the members of the Board. If the Chair is not independent for the purposes of NI 58-101, then a majority of the Board's independent directors shall appoint an independent lead director (the "**Lead Director**") from among the directors, who shall serve for such term as the Board may determine. The Lead Director or non-executive Chair shall chair any meetings of the independent directors and assume such other responsibilities as the independent directors may designate in accordance with any applicable position descriptions or other applicable guidelines that may be adopted by the Board from time to time.

##### C. MEETINGS AND BOARD PROCESS

The Board shall meet at least four times per year, once after each quarter to review financial information and annual continuous disclosure materials required by the Canadian Securities Administrators have been prepared. The Board will meet more frequently if circumstances dictate.

Board meetings will allow for input from all Board members. Any director may request that the Lead Director or non-executive Chair co-ordinate a meeting of the non-executive members of the Board.

The Chair shall be responsible for establishing or causing to be established the agenda for each Board meeting. The Board and the Board committees liaison with the Company will be principally through the Company's Chief Executive Officer. The Board may, from time to time, assign specific duties and tasks to individuals or committees.

An Audit Committee, Corporate Governance and Nominating Committee (the "**Corporate Governance Committee**"), HESS (Health, Environmental, Safety and Sustainability) Committee and a Compensation and Human Resources Committee (the "**Compensation and Human Resources Committee**") and together with the Audit Committee, the Corporation Governance Committee and the HESS Committee, the "**Committees**") have been established. Each of the Committees shall operate under a written mandate document approved by the Board.

Periodically the Board will evaluate the effectiveness of the Board as a whole and ensure that appropriate succession plans are in place. This may include reviewing the process for nominating, orienting and remunerating Board members, determining the committees required and changing the mandates for the Committees.

The Board has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and has direct access to the books, records, facilities and personnel of the organization. The Board has the ability to retain, at the

Company's expense, special legal, accounting or other consultants or experts it deems necessary in the performance of its duties.

#### **D. RESPONSIBILITIES**

The Board members shall ensure that:

- (a) all Board members understand the business of the Company;
- (b) processes are in place to effectively plan, monitor and manage the long-term viability of the Company;
- (c) there is a balance between long and short-term goals and risks;
- (d) management's performance is adequate and that an adequate management succession plan is in place;
- (e) communication with shareholders and other stakeholders is timely and effective;
- (f) the Board shall adopt appropriate procedures designed to permit the Board to receive feedback from shareholders on material issues;
- (g) business is conducted ethically and in compliance with applicable laws and regulations; and
- (h) all matters requiring shareholder approval are referred to them.

#### **E. OPERATIONAL MATTERS**

In the process of executing its responsibilities the Board will:

- (a) review corporate performance on a quarterly basis;
- (b) review and approve dividend payments, if any;
- (c) review and approve Company banking and borrowing resolutions;
- (d) review and approve any changes in the issued shares;
- (e) review accounting policies, internal control and audit procedures;
- (f) review and approve the annual continuous disclosure materials required by the Canadian Securities Administrators;
- (g) review and approve the annual financial statements and the interim quarterly results;
- (h) recommend to the shareholders the appointment of auditors and their remuneration; and
- (i) provide advice to management.

#### **F. CODE OF CONDUCT**

The Board must adopt a written Code of Ethics and Business Conduct (the "**Code**") as part of its efforts to promote a culture of integrity and honesty throughout the Company. The Code will apply to the Board itself and to the Company's management and employees. Only the Board may grant any waivers to the Code. If the Board grants a waiver to the Code, the Board will determine if disclosure of the waiver is necessary in accordance with applicable laws and stock exchange rules. Contents of such disclosure will be in compliance with National Policy 58-201 — *Corporate Governance Guidelines* and NI 58-101.

#### **G. WHISTLEBLOWER POLICY**

The Board will, in conjunction with the Audit Committee, establish a whistleblower policy for the Company allowing Company employees, officers, directors and other stakeholders, including the public, to raise, anonymously or not,

questions, complaints or concerns about the Company's practices, including fraud, policy violations, any illegal or unethical conduct and any Company accounting, auditing or internal control matters. The Board will ensure that any questions, complaints or concerns are adequately received, reviewed, investigated, documented and resolved.

## APPENDIX "C"

### NEO PERFORMANCE MATERIALS INC. AMENDED & RESTATED OMNIBUS LONG TERM INCENTIVE PLAN

Neo Performance Materials Inc. (the "**Company**") previously established a stock option plan which was first adopted on October 13, 2017, a long-term incentive plan which was first adopted on May 9, 2018, a directors share unit plan first adopted on May 9, 2018 and assumed the management incentive plan of Neo Cayman Holdings Ltd. dated September 2016 (collectively, the "**Prior Plans**"). In order to advance the interests of the Company and its shareholders and for the purposes described in Section 2.1 below, the Board of Directors of the Company (the "**Board**") has authorized the establishment of the Neo Performance Materials Inc. Omnibus Long-Term Incentive Plan, effective May 28, 2021, as amended on May 8, 2024 (the "**Plan**"). No future awards will be granted under the Prior Plans, and the awards granted under the Prior Plans shall remain subject to the terms of the Prior Plans.

#### ARTICLE 1 – DEFINITIONS

##### 1.1 Definitions

Where used herein or in any amendments hereto or in any communication required or permitted to be given hereunder, the following terms shall have the following meanings, respectively, unless the context otherwise requires:

"**Account**" means an account maintained for each Participant on the books of the Company which will be credited with Awards, including any Dividend Equivalents, in accordance with the terms of this Plan;

"**Affiliate**" means any entity that is an "affiliate" for the purposes of National Instrument 45-106 — *Prospectus Exemptions*, as amended from time to time;

"**Associate**", where used to indicate a relationship with a Participant, means (i) any partner of that Participant and (ii) the spouse of that Participant and that Participant's children, as well as that Participant's relatives and that Participant's spouse's relatives, if they share that Participant's residence;

"**Awards**" means an Option, a SAR, an RSU or a DSU granted to a Participant pursuant to the terms of the Plan;

"**Black-Out Period**" means the time period, referred to as the "blackout period", determined by the Company under its "Confidentiality of Material Information and Restrictions on Trading Securities Policy" (or any successor thereto or replacement thereof) pursuant to which certain prescribed persons will be prohibited from trading in the securities of the Company. For greater certainty, the Blackout Period shall not include any period in which there is a prohibition on trading in securities of the Company as a result of a cease trade or other order of any securities commission or regulatory authority;

"**Board**" has the meaning set out in the recitals hereto;

"**Broker**" means a broker independent from the Company or any of its Subsidiaries who has been designated by the Company as the broker that will purchase Shares pursuant to the Plan and who is a member of the principal Canadian stock exchange or other public exchange on which the Shares are listed, or, if the Shares are not then listed, as selected by the Board acting in good faith;

"**Business Day**" means a day other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in Toronto, Ontario, for the transaction of banking business;

"**Cash Equivalent**" means: (a) in the case of RSUs, the amount of money equal to the Market Value multiplied by the number of vested RSUs in the Participant's Account, net of any applicable taxes in accordance with Section 9.2, on the RSU Settlement Date; and (b) in the case of SARs, the amount of money equal to the excess of the Market Value of a Share on the effective date of the exercise of the SAR over the per share SAR Price, net of any applicable taxes in accordance with Section 9.2;

"**Cause**" means:

- (a) unless the applicable Grant Agreement states otherwise, with respect to any employee or Consultant:
  - (i) if the employee or consultant is a party to an Employment Agreement or service agreement with the Company or its Affiliates and such agreement provides for a definition of Cause, the definition

contained therein; or (ii) if no such agreement exists, or if such agreement does not define Cause, any act or omission that would entitle the Company to terminate the employee's or consultant's employment or service agreement without notice or compensation under the common law for just cause, including, without in any way limiting its meaning under the common law: (A) the failure of the employee or consultant to carry out the employee's or consultant's duties properly or to comply with the Company's rules, policies and practices; (B) material breach of any agreement with the Company or an Affiliate, or a material violation of the Company's or an Affiliate's code of conduct or other written policy; (B) the indictment for or conviction of an indictable offence or any summary offence involving material dishonesty or moral turpitude; (D) material fiduciary breach with respect to the Company or an Affiliate; (E) fraud, embezzlement or similar conduct that results in or is reasonably likely to result in harm to the reputation or business of the Company or any of its Affiliates; or (F) gross negligence or willful misconduct with respect to the Company or an Affiliate;

- (b) with respect to any director, a determination by a majority of the disinterested Board members that the director has engaged in any of the following:
  - (i) gross misconduct or neglect;
  - (ii) willful conversion of corporate funds;
  - (iii) false or fraudulent misrepresentation inducing the director's appointment; or
  - (iv) repeated failure to participate in Board meetings on a regular basis despite having received proper notice of the meetings in advance; and
- (c) the Board, in its sole and absolute discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause;

**"Change of Control"** means

- (a) a consolidation, reorganization, amalgamation, merger, acquisition or other business combination (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and any one or more of its Affiliates, with respect to which all or substantially all of the persons who were the beneficial owners of the Common Shares and other securities of the Company immediately prior to such consolidation, reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement do not, following the completion of such consolidation, reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement, beneficially own, directly or indirectly, more than 50% of the resulting voting rights (on a fully-diluted basis) of the Company or its successor;
- (b) a resolution is adopted to wind-up, dissolve or liquidate the Company;
- (c) the sale, exchange or other disposition to a person other than an Affiliate of the Company of all or substantially all of the Company's assets;
- (d) a change in the composition of the Board, which occurs at a single meeting of the shareholders of the Company or upon the execution of a shareholders' resolution, such that individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority of the Board, without the Board, as constituted immediately prior to such meeting or resolution, having approved of such change; or

provided that, however, for greater certainty, a Change of Control shall be deemed not to occur as a result of an internal reorganization involving only the Company and any one or more of its Affiliates in the circumstances where the business of the Company is continued and where the shareholdings of the Company remain the same following the transaction as existed prior to the transaction;

**"Code"** means the *U.S. Internal Revenue Code of 1986*, as amended from time to time and the Treasury Regulations promulgated thereunder;

**"Committee"** has the meaning ascribed thereto in Section 2.2(1) hereof;

**"Company"** means Neo Performance Materials Inc., a corporation existing under the *Business Corporations Act* (Ontario), and its successors from time to time;

**"Disabled"** or **"Disability"** means the permanent and total incapacity of a Participant as determined in accordance with procedures established by the Board for purposes of this Plan;

**"Dividend Equivalent"** has the meaning ascribed thereto in Section 7.5 hereof;

**"DSU"** means a deferred share unit, which is a bookkeeping entry equivalent in value to a Share, credited by the Company to a Participant's Account in accordance with Article 4 hereof, subject to the provisions of this Plan;

**"DSU Agreement"** means a written letter agreement between the Company and a Participant evidencing the grant of DSUs and the terms and conditions thereof;

**"Eligible Participants"** has the meaning ascribed thereto in Section 2.3(1) hereof;

**"Employment Agreement"** means, with respect to any Participant, any written employment agreement between the Company or an Affiliate and such Participant;

**"Exercise Notice"** means a notice in writing signed by a Participant and stating the Participant's intention to exercise a particular Award, if applicable;

**"Grant Agreement"** means an agreement evidencing the grant to a Participant of an Award, including a Restricted Share Agreement, an Option Agreement, a SAR Agreement, a DSU Agreement, a RSU Agreement, or an Employment Agreement;

**"Insider"** has the meaning attributed thereto in the rules and policies of the TSX as amended from time to time;

**"Market Value"** means at any date when the Market Value of Shares of the Company is to be determined, the volume weighted average trading price of the Shares on the five Trading Days prior to the date of grant, calculated by dividing the total value by the total volume of Shares traded for the five Trading Days prior to the date of grant on the principal stock exchange on which the Shares are listed, or if the Shares of the Company are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith based on other reasonable application of a reasonable valuation method not inconsistent with the Tax Act or Section 409A of the Code;

**"Non-Canadian Participant"** means a Participant that is not subject to the Tax Act in connection with an Award granted thereunder;

**"Notice of Redemption"** means the written notice by a Participant, or the administrator or liquidator of the estate of the Participant, to the Company of the Participant's wish to redeem his or her DSUs;

**"Option"** means an option granted by the Company to a Participant entitling such Participant to acquire a designated number and class of Shares from treasury at the Option Price, subject to the provisions of this Plan;

**"Option Agreement"** means a written notice from the Company to a Participant evidencing the grant of Options and the terms and conditions thereof;

**"Option Price"** has the meaning ascribed thereto in Section 3.2 hereof;

**"Option Term"** has the meaning ascribed thereto in Section 3.4(1) hereof;

**"Participants"** means Eligible Participants that are granted Awards under the Plan;

**"Participant's Account"** means an account maintained for each Participant's participation in DSUs and/or RSUs under the Plan;

**"Performance Criteria"** means criteria established by the Board which, without limitation, may include criteria based on the Participant's personal performance and/or the financial performance of the Company and/or of its Subsidiaries and/or achievement of corporate goals and strategic initiatives, and that may be used to determine the vesting of the Awards, when applicable;

**"Performance Period"** means the period determined by the Board pursuant to Section 5.4(1) hereof;

**"Person"** means an individual, corporation, company, cooperative, partnership, trust, unincorporated association, entity with juridical personality or governmental authority or body, and pronouns which refer to a Person shall have a similarly extended meaning;

**"Plan"** has the meaning set out in the recitals hereto;

**"Prior Plans"** has the meaning set out in the recitals hereto;

**"RSU"** means a right awarded by the Company to a Participant to receive a payment in the form of Shares or the Cash Equivalent as provided in Article 5 hereof, subject to the provisions of this Plan;

**"RSU Agreement"** means a written letter agreement between the Company and a Participant evidencing the grant of RSUs and the terms and conditions thereof;

**"RSU Settlement Date"** has the meaning determined in Section 5.6(1)(a);

**"RSU Settlement Notice"** means a notice by a Participant to the Company electing the desired form of settlement of vested RSUs;

**"RSU Vesting Determination Date"** has the meaning described thereto in Section 5.5 hereof;

**"SAR"** means a right granted to a Participant as provided in Article 6 hereof to receive, upon exercise by the Participant, the excess of (i) the Market Value of one Share on the date of exercise over (ii) the grant price of the right on the date of grant, or if granted in connection with an outstanding Option on the date of grant of the related Option, as specified by the Board in its sole discretion, which shall not be less than the Market Value of one Share on such date of grant of the right or the related Option, as the case may be, subject to the provisions of this Plan;

**"SAR Agreement"** means a written letter agreement between the Company and a Participant evidencing the grant of SARs and the terms and conditions thereof;

**"SAR Price"** has the meaning ascribed thereto in Section 6.2 hereof;

**"SAR Term"** has the meaning ascribed thereto in Section 6.4(1) hereof;

**"Share Based Compensation Arrangement"** for the purposes of the Plan means any option, share option plan, share incentive plan, employee share purchase plan where the Company provides any financial assistance or matching mechanism, stock appreciation right or any other compensation or incentive mechanism involving the issuance or potential issuance of securities from the Company's treasury, including a share purchase from treasury which is financially assisted by the Company by way of a loan guarantee or otherwise, but for greater certainty does not involve compensation arrangements which do not involve the issuance or potential issuance of securities from the Company's treasury;

**"Share"** means a common share in the capital of the Company, or such other security of the Company as may be designated by the Board from time to time in substitution thereof;

**"Subsidiary"** means any entity that is a "subsidiary" for the purposes of National Instrument 45-106 — *Prospectus Exemptions*, as amended from time to time;

**"Tax Act"** means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;

**"Termination Date"** means (i) with respect to a Participant who is an employee or officer of the Company or a Subsidiary, such Participant's last day of active employment and does not include any period of statutory, reasonably or contractual notice or any period of deemed employment or salary continuance and (ii) with respect to a Participant who is a Consultant, the date such Consultant ceases to provide services to the Company or a Subsidiary;

**"Trading Day"** means any day on which the TSX is opened for trading;

**"TSX"** means the Toronto Stock Exchange; and

"U.S. Participant" means any Participant who is a United States citizen or United States resident alien as defined for purposes of Section 7701(b)(1)(A) of the Code or for whom an Award is otherwise subject to taxation under the Code.

## ARTICLE 2 – PURPOSE AND ADMINISTRATION OF THE PLAN; GRANTING OF AWARDS

### 2.1 Purpose of the Plan

- (1) The purpose of the Plan is to advance the interests of the Company by: (i) providing Eligible Participants with additional incentives; (ii) encouraging share ownership of such Eligible Participants; (iii) increasing proprietary interests of Eligible Participants in the success of the Company; (iv) promoting growth and profitability of the Company; (v) encouraging Eligible Participants to take into account long-term corporate performance; (vi) rewarding Eligible Participants for sustained contributions to the Company and/or significant performance achievements of the Company; and (vii) enhancing the Company's ability to attract, retain and motivate Eligible Participants.

### 2.2 Implementation and Administration of the Plan

- (1) The Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by the Compensation Committee of the Board (the "**Committee**"). If the Committee is appointed for this purpose, all references to the term "Board" will be deemed to be references to the Committee.
- (2) The Board or, for greater certainty, the Committee, may, from time to time, as it may deem expedient, adopt, amend and rescind rules, regulations and policies for carrying out the provisions and purposes of the Plan, subject to any applicable rules of the TSX. Subject to the provisions of the Plan, the Board or, for greater certainty, the Committee, is authorized, in its sole discretion, to make such determinations under, and such interpretations of, and take such steps and actions in connection with, the proper administration of the Plan as it may deem necessary or advisable. The interpretation, construction and application of the Plan and any provisions hereof made by the Board or, for greater certainty, the Committee, shall be final and binding on all Eligible Participants.
- (3) No member of the Board or, for greater certainty, the Committee, shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Award granted hereunder.
- (4) Any determination approved by a majority of the Board or, for greater certainty, the Committee, shall be deemed to be a determination of that matter by the Board or, for greater certainty, the Committee.
- (5) Subject to the terms of this Plan and applicable law, the Board or, for greater certainty, the Committee, may delegate to one or more officers of the Company, or to a committee of such officers, the authority, subject to such terms and limitations as the Board or the Committee may determine, to grant, cancel, modify, waive rights with respect to, alter, discontinue, suspend or terminate Awards.
- (6) The Board, or the Committee, as the case may be, subject to the terms of the Plan and has the sole and absolute discretion and authority to:
  - (a) to select those persons to whose Awards may be granted from time to time;
  - (b) to determine whether and to what extent Awards are to be granted hereunder;
  - (c) to determine the terms and conditions of any Award granted hereunder;
  - (d) to adjust the terms and conditions, at any time or from time to time, of any Award;
  - (e) to determine the number of Shares to be made subject to each Award;
  - (f) to determine to what extent and under what circumstances amounts payable with respect to an Award shall be deferred;
  - (g) to provide for the forms of Grant Agreement to be utilized in connection with the Plan;

- (h) to determine what legal requirements are applicable to the Plan and Awards, and to require of an Eligible Participant that appropriate action be taken with respect to such requirements;
- (i) to cancel, with the consent of the Eligible Participant or as otherwise provided in the Plan or a Grant Agreement, outstanding Awards;
- (j) to require as a condition of the exercise of an Award the withholding from an Eligible Participant of the amount of any taxes as may be necessary or advisable in order for the Company or any other employer to obtain a deduction or as may be otherwise required by law;
- (k) to determine whether and with what effect an individual has ceased to be an Eligible Participant and to determine the Termination Date;
- (l) to determine whether an Award is to be adjusted, modified or purchased, or is to become fully exercisable, under the Plan or the terms of a Grant Agreement;
- (m) to determine the permissible methods of Award exercise and payment;
- (n) to construe and interpret the Plan and adopt, amend and rescind such rules and regulations as, in its opinion, may be advisable in the administration of the Plan;
- (o) to administer, reconcile any inconsistency, correct any defect and/or supply any omission in the Plan and any instrument or agreement relating to, or Award granted under, the Plan;
- (p) to seek recommendations from the Chairman or from the Chief Executive Officer of the Company;
- (q) to appoint and compensate agents, counsel, auditors or other specialists to assist it in the discharge of its duties hereunder; and
- (r) to exercise discretion to make all other determinations or take all other actions necessary or advisable for the implementation and administration of the Plan.

### **2.3 Eligible Participants**

- (1) The Persons who shall be eligible to receive Awards ("**Eligible Participants**") shall be the officers, directors, senior executives and other employees of the Company or an Affiliate, consultants and service providers providing ongoing services to the Company and its Affiliates. In determining Awards to be granted under the Plan, the Board shall give due consideration to the value of each Eligible Participant's present and potential future contribution to the Company's success.
- (2) Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant's relationship or employment with the Company or a Subsidiary.
- (3) Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee of employment by the Company to the Participant.

### **2.4 Shares Subject to the Plan.**

- (1) Subject to adjustment pursuant to provisions of Article 8 hereof, the total number of Shares reserved and available for grant and issuance pursuant to Awards shall not exceed 4,665,000 (being 11.1% of the total issued and outstanding Shares as of May 8, 2024).
- (2) Subject to adjustment pursuant to provisions of Article 8 hereof, of the number of Shares reserved under section 2.4(1), the total number of Shares available for issuance from treasury under the Plan pursuant to SARs or RSUs shall not exceed 1,400,000.
- (3) Shares in respect of which an Award is granted under the Plan, but not exercised prior to the termination of such Award or not vested or delivered prior to the termination of such Award due to the expiration, termination or lapse of such Award, shall be available for Awards to be granted thereafter pursuant to the provisions of the Plan. All Shares issued pursuant to the exercise or the vesting of the Awards granted under the Plan shall be so issued as fully paid and non-assessable Shares. Notwithstanding anything herein to the contrary, any

Shares forfeited, cancelled or otherwise not issued for any reason under the awards of the Prior Plans shall be available for grants under this Plan. Awards that by their terms are to be settled solely in cash shall not be counted against the number of Shares available for the issuance of Awards under the Plan. The following shall not be added back to the number of Shares available for grant under the Plan: (i) Shares tendered as payment for the exercise of an Option; (ii) Shares withheld to pay any applicable taxes on the settlement of an Award; (iii) Shares repurchased by the Company using the proceeds of the exercise of Options; or (iv) Awards settled by the issuance of Shares where only the actual Shares delivered are counted against the number of Shares eligible for grant as an Award.

## **2.5 Participation Limits**

Subject to adjustment pursuant to the provisions of Article 8 hereof, the aggregate number of Shares:

- (1) (i) issued to Insiders pursuant to the Plan and all other Share Based Compensation Arrangements, within any one year period, and (ii) issuable to Insiders, at any time, pursuant to the Plan and all other Share Based Compensation Arrangements, shall in each case not exceed 10% of the number of issued and outstanding Shares on the date of grant (on a non-diluted basis). Any Awards granted pursuant to the Plan, prior to the Participant becoming an Insider, shall be excluded for the purposes of the limits set out in this subsection;
- (2) The maximum number of Shares which may be reserved for issuance to non-employee directors under the Plan shall be the lesser of (i) 1% of the issued and outstanding Shares on the date of grant, less the aggregate number of Shares reserved for issuance to such non-employee directors under any other Share Based Compensation Arrangement, and (ii) an annual grant value to any one non-employee director of \$150,000. Of the \$150,000 annual grant value set out in (ii) above, a maximum of \$100,000 value may be granted in the form of Options (based upon a Black-Scholes calculation);
- (3) All Awards are subject to a minimum one year vesting period, provided, however, that up to 5% of the Share reserved under the Plan may be granted without a minimum vesting period when such Awards are being granted to newly employed, engaged or elected Participants, as the case may be; and
- (4) The granting of an option under the Plan to a Participant shall neither entitle nor preclude such Participant from being subsequently granted one or more additional options to purchase Common Shares under the Plan.

## **2.6 Granting of Awards**

- (1) Any Award granted under the Plan shall be subject to the requirement that if at any time counsel to the Company shall determine that the listing, registration or qualification of the Shares subject to such Award, if applicable, 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 Award or the issuance or purchase of Shares thereunder, if applicable, such Award may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Company to apply for or to obtain such listing, registration, qualification, consent or approval.
- (2) Any Award granted under the Plan shall be subject to the requirement that the Company has the right to place any restriction or legend on any securities issued pursuant to this Plan.

# **ARTICLE 3 - OPTIONS**

## **3.1 Nature of Options**

An Option is an option granted by the Company to a Participant entitling such Participant to acquire one Shares from treasury at the Option Price or, in the case of a Non-Canadian Participant only, from secondary market purchase, as determined by the Board, at the Option Price, subject to the provisions of this Plan.

## **3.2 Option Awards**

Subject to the provisions set forth in this Plan and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive Options under the Plan, (ii) fix the number of Options, if any, to be granted to each Eligible Participant and the

date or dates on which such Options shall be granted, (iii) determine the price per Share to be payable upon the exercise of each such Option (the "**Option Price**") and the relevant vesting provisions (including Performance Criteria, if applicable) and Option Term, the whole subject to the terms and conditions prescribed in this Plan, in any Option Agreement and any applicable rules of the TSX.

### **3.3 Option Price**

The Option Price for Shares that are the subject of any Option shall be fixed by the Board when such Option is granted, but shall not be less than the Market Value of such Shares at the time of the grant.

### **3.4 Option Term**

- (1) The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, commencing on the date such Option is granted to the Participant and ending as specified in this Plan, or in the Option Agreement, but in no event shall an Option expire on a date which is: (i) before the date that is one year from the date the Option is granted; or (ii) later than the date that is 10 years from the date the Option is granted ("**Option Term**"). Unless otherwise determined by the Board, and subject to the prior approval of the TSX, to the extent required, and a 10 year Option Term limit, all unexercised Options shall be cancelled at the expiry of such Options.
- (2) Should the expiration date for an Option fall within a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is the 10<sup>th</sup> Business Day after the end of the Black-Out Period, such 10<sup>th</sup> Business Day to be considered the expiration date for such Option for all purposes under the Plan. Notwithstanding Section 8.2 hereof, the 10<sup>th</sup> Business Day-period referred to in this Section 3.4 may not be extended by the Board.

### **3.5 Exercise of Options**

- (1) Subject to the provisions of this Plan, a Participant shall be entitled to exercise an Option granted to such Participant at any time prior to the expiry of the Option Term, subject to vesting limitations which may be imposed by the Board at the time such Option is granted.
- (2) Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable as to all or such part or parts of the optioned Shares and at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board at the time of granting the particular Option, may determine in its sole discretion. For greater certainty, no Option shall be exercised by a Participant during a Black-Out Period.

### **3.6 Method of Exercise and Payment of Purchase Price**

- (1) Subject to the provisions of the Plan, an Option granted under the Plan shall be exercisable (from time to time as provided in Section 3.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering a fully completed Exercise Notice to the Company at its registered office to the attention of the Chief Financial Officer of the Company (or the individual that the Chief Financial Officer of the Company may from time to time designate) or give notice in such other manner as the Company may from time to time designate, which notice shall specify the number of Shares in respect of which the Option is being exercised and shall be accompanied by full payment, by cash, cheque or bank draft of the purchase price for the number of Shares specified therein. Unless otherwise determined by the Board, the Company shall not offer financial assistance in regards to the exercise of an Option.
- (2) Upon the exercise of an Option, the Company shall, as soon as practicable after such exercise but no later than 10 Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to either:
  - (a) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice; or

- (b) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares.

### **3.7 Option Agreements**

Options shall be evidenced by an Option Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of Article 4 and Article 8 hereof be included therein. The Option Agreement shall contain such terms that may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

## **ARTICLE 4 – DEFERRED SHARE UNITS**

### **4.1 Nature of DSUs**

A DSU is an Award of phantom share units to an Eligible Participant, subject to restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre-established Performance Criteria.

### **4.2 Board to Determine Participation**

The Board will determine, once each calendar year, whether an Eligible Participant's annual retainer or a portion thereof will be paid in the form of DSUs, with the balance being paid in cash.

### **4.3 DSU Awards**

The number of DSUs that an Eligible Participant is entitled to receive in a fiscal year is based upon the percentage that the Board has determined the Eligible Participant will receive, in DSUs multiplied by the Participant's annual retainer divided by the Market Value. At the discretion of the Board, fractional DSUs will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

### **4.4 Redemption of DSUs**

- (1) Each Participant shall be entitled to redeem his or her DSUs during the period commencing on the Business Day immediately following the Termination Date and ending on the 90<sup>th</sup> day following the Termination Date by providing a written Notice of Redemption to the Company. In the event of death of a Participant, the Notice of Redemption shall be filed by the administrator or liquidator of the estate of the Participant. The Notice of Redemption must specify an election to receive:
  - (a) a cash payment equal to the number of DSUs credited to the Participant's Account as of the Termination Date multiplied by the Market Value on the Termination Date, net of any applicable withholding taxes; or
  - (b) Shares purchased on the Participant's behalf on the open market by a Broker; or
  - (c) a percentage of the DSUs paid out in cash and the remaining percentage of the DSUs paid out as Shares on the Participant's behalf on the open market by a Broker.

In the event a Notice of Redemption is not provided by a Participant, such Participant will be deemed to have elected to receive a cash payment as provided for in Section 4.4(1)(a). Notwithstanding anything else to the contrary contained herein, in a Notice of Redemption or in any Grant Agreement, the Board may, in its sole and absolute discretion, satisfy any DSU so redeemed in cash, Shares or a combination thereof.

- (2) Where Shares are purchased on the open market on the Participant's behalf, the Company will remit all or a portion of the final payment to the Broker, and the Broker will be required to (within 10 Business Days) use the amount to purchase Shares in the open market on the principal Canadian stock exchange or any other public exchange on which the Shares are traded. The number of Shares will be computed by taking the number

of DSUs that the Participant elected to receive in Shares, net of the number of DSUs that would equal to any applicable withholding taxes. Any Shares acquired by the Broker from all or a portion of the final payment and any cash remaining therefrom shall be delivered directly to the Participant forthwith as soon as practicable upon completion of such purchases. The Company will pay all brokerage fees arising in connection with the purchase of Shares by the Broker in accordance with the Plan

- (3) Provided a Notice of Redemption is received by the Company within the specified time set out in this Plan. The Company will make all of the payments described in this Article 4 (referred to hereinafter as the "**Final Payment**") to the Participant or the Broker, as applicable, within 120 calendar days of the Termination Date. Upon making such payment to the Participant or the Broker, the DSUs upon which such payment was based shall be cancelled and no further payments shall be made from the Plan in relation to such DSUs.

#### **4.5 DSU Agreements**

DSUs shall be evidenced by a DSU Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of Article 4 and Article 8 hereof be included therein. The DSU Agreement shall contain such terms that may be considered necessary in order that the DSU will comply with any provisions respecting deferred share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

### **ARTICLE 5 – RESTRICTED SHARE UNITS**

#### **5.1 Nature of RSUs.**

An RSU is an Award entitling the recipient to acquire Shares or the Cash Equivalent, at such purchase price (which may be zero) as determined by the Board, subject to such restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre-established Performance Criteria.

#### **5.2 RSU Awards**

- (1) Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive RSUs under the Plan, (ii) fix the number of RSUs, if any, to be granted to each Eligible Participant and the date or dates on which such RSUs shall be granted, and (iii) determine the class of Share, relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and Restriction Period of such RSUs, the whole subject to the terms and conditions prescribed in this Plan and in any RSU Agreement.
- (2) Any RSUs that are awarded to an Eligible Participant who is a resident of Canada or employed in Canada (each for purposes of the Tax Act) shall be structured so as to be considered to be a plan described in section 7 of the Tax Act or in such other manner to ensure that such award is not a "salary deferral arrangement" as defined in the Tax Act (or any successor to such provisions).
- (3) Subject to the vesting and other conditions and provisions set forth herein and in the RSU Agreement, the Board shall determine whether each RSU awarded to a Participant shall entitle the Participant: (i) to receive one Share issued from treasury or purchased on the secondary market; (ii) to receive the Cash Equivalent of one Share; or (iii) to elect to receive either one Share, the Cash Equivalent of one Share or a combination of cash and Shares.

#### **5.3 Restriction Period**

The applicable restriction period in respect of a particular RSU award shall be determined by the Board but in all cases shall end no later than December 31 of the calendar year which is three years after the calendar year in which the Award is granted ("**Restriction Period**"). For example, the Restriction Period for a grant made in June 2021 shall end no later than December 31, 2024. Subject to the Board's determination, any vested RSUs with respect to a Restriction Period will be paid to Participants in accordance with Article 5, no later than the end of the Restriction Period. Unless otherwise determined by the Board, all unvested RSUs shall be cancelled on the RSU Vesting Determination Date (as such term is defined in Section 5.5) and, in any event, no later than the last day of the Restriction Period.

#### 5.4 Performance Criteria and Performance Period

- (1) For each award of RSUs, the Board shall establish the period in which any Performance Criteria and other vesting conditions must be met in order for a Participant to be entitled to receive Shares in exchange for all or a portion of the RSUs held by such Participant (the "**Performance Period**"), provided that such Performance Period may not expire after the end of the Restriction Period, being no longer than three years after the financial year in which the Award was granted.
- (2) For each award of RSUs, the Board shall establish any Performance Criteria and other vesting conditions which must be met during the Performance Period in order for a Participant to be entitled to receive Shares in exchange for his or her RSUs.

#### 5.5 RSU Vesting Determination Date

The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to a RSU have been met (the "**RSU Vesting Determination Date**"), and as a result, establishes the number of RSUs that become vested, if any. For greater certainty, the RSU Vesting Determination Date must fall after the end of the Performance Period, if any, but no later than the last day of the Restriction Period.

#### 5.6 Settlement of RSUs

- (1) Except as otherwise provided in the RSU Agreement, in the event that the vesting conditions, the Performance Criteria and Performance Period, if applicable, of an RSU are satisfied, all of the vested RSUs covered by a particular grant may be settled at any time beginning on the first Business Day following their RSU Vesting Determination Date but no later than the date that is six months from their RSU Vesting Determination Date (the "**RSU Settlement Date**").
- (2) Subject to Section 5.6(3), settlement of RSUs shall take place promptly following the RSU Settlement Date, and in any event no later than three months from the Termination Date, or such shorter time period as prescribed by the Board or this Plan, and take the form set out in the RSU Settlement Notice through:
  - (a) in the case of settlement of RSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
  - (b) in the case of settlement of RSUs for Shares, (i) delivery to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) is then entitled to receive; or (ii) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) is then entitled to receive to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares; or
  - (c) in the case of settlement of the RSUs for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.
- (3) Notwithstanding any other provision of this Plan, in the event that an RSU Settlement Date falls during a Black-Out Period or other trading restriction imposed by the Company and the Participant has not delivered an RSU Settlement Notice, then such RSU Settlement Date shall be automatically extended to the 10<sup>th</sup> Business Day following the date that such Black-Out Period or other trading restriction is lifted, terminated or removed.

#### 5.7 Determination of Amounts

- (1) *Cash Equivalent of RSUs.* For purposes of determining the Cash Equivalent of RSUs to be made pursuant to Section 5.6, such calculation will be made on the RSU Settlement Date and shall equal the Market Value on the RSU Settlement Date multiplied by the number of vested RSUs in the Participant's Account which the Participant desires to settle in cash pursuant to the RSU Settlement Notice.

- (2) *Payment in Shares; Issuance of Shares from Treasury.* For the purposes of determining the number of Shares from treasury to be issued and delivered to a Participant upon settlement of RSUs pursuant to Section 5.6, such calculation will be made on the RSU Settlement Date and be the whole number of Shares equal to the whole number of vested RSUs then recorded in the Participant's Account which the Participant desires to settle pursuant to the RSU Settlement Notice. Shares issued from treasury will be issued in consideration for the past services of the Participant to the Company and the entitlement of the Participant under this Plan shall be satisfied in full by such issuance of Shares.

## **5.8 RSU Agreements**

RSUs shall be evidenced by an RSU Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of Article 5 and Article 7 hereof be included therein. The RSU Agreement shall contain such terms that may be considered necessary in order that the RSU will comply with any provisions respecting restricted share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

## **ARTICLE 6 – SHARE APPRECIATION RIGHTS**

### **6.1 Nature of SARs**

A SAR is an Award entitling the recipient to receive Shares or the Cash Equivalent having a value equal to the excess of (i) the Market Value of one Share on the date of exercise over (ii) the grant price of the right on the date of grant, as specified by the Board in its sole discretion, which shall not be less than the Market Value of one Share on such date of grant of the right, multiplied by the number of Shares with respect to which the SAR shall have been exercised.

### **6.2 SAR Awards**

Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive SAR Awards under the Plan, (ii) fix the number of SAR Awards to be granted to each Eligible Participant and the date or dates on which such SAR Awards shall be granted, and (iii) determine the class of Share, the price per Share to be payable upon the vesting of each such SAR (the "**SAR Price**") and the relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and the SAR Term, the whole subject to the terms and conditions prescribed in this Plan and in any SAR Agreement.

### **6.3 SAR Price**

The SAR Price for the Shares that are the subject of any SAR shall be fixed by the Board when such SAR is granted, but shall not be less than the Market Value of such Shares at the time of the grant.

### **6.4 SAR Term**

- (1) The Board shall determine, at the time of granting the particular SAR, the period during which the SAR is exercisable, which shall not be more than 10 years from the date the SAR is granted ("**SAR Term**") and the vesting schedule of such SAR, which will be detailed in the respective SAR Agreement. Unless otherwise determined by the Board, all unexercised SARs shall be cancelled at the expiry of such SAR.
- (2) Should the expiration date for a SAR fall within a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is the 10<sup>th</sup> Business Day after the end of the Black-Out Period, such 10<sup>th</sup> Business Day to be considered the expiration date for such SAR for all purposes under the Plan. Notwithstanding Section 8.2 hereof, the 10 Business Day-period referred to in this Section 6.4 may not be extended by the Board.

### **6.5 Exercise of SARs**

Prior to its expiration or earlier termination in accordance with the Plan, each SAR shall be exercisable as to all or such part or parts of the granted Shares and at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board at the time of granting the particular SAR, may determine in its sole discretion. For greater certainty, no SAR shall be exercised by a Participant during a Black-Out Period.

## 6.6 Method of Exercise and Payment of Purchase Price

- (1) Subject to the provisions of the Plan, a SAR granted under the Plan shall be exercisable (from time to time as provided in Section 6.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering a fully completed Exercise Notice to the Company at its registered office to the attention of the Chief Financial Officer of the Company (or to the individual that the Chief Financial Officer of the Company may from time to time designate) or give notice in such other manner as the Company may from time to time designate, no less than three Business Days in advance of the effective date of the proposed exercise, which notice shall specify the number of Shares with respect to which the SAR is being exercised and the effective date of the proposed exercise. In the Exercise Notice, the Participant will indicate its preference to settle vested SARs for the Cash Equivalent, Shares issued from treasury, or a combination thereof. Notwithstanding anything else to the contrary contained herein, in an Exercise Notice or in any Grant Agreement, the Board may, in its sole and absolute discretion, satisfy any SAR for their Cash Equivalent, Shares issued from treasury, or a combination thereof.
- (2) The exercise of a SAR with respect to any number of Shares shall entitle the Participant to Shares or the Cash Equivalent equal to the excess of the Market Value of a Share on the effective date of such exercise over the per share SAR Price.
- (3) Upon the exercise, the Company shall, as soon as practicable after such exercise but no later than 10 Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to either:
  - (a) in the case of settlement of SARs for the Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
  - (b) in the case of settlement of SARs for Shares, (i) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) is then entitled to receive; or (ii) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) is then entitled to receive to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares; or
  - (c) in the case of settlement of the SARs for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.

## 6.7 SAR Agreements

SARs shall be evidenced by a SAR Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of Article 6 and Article 7 hereof be included therein. The SAR Agreement shall contain such terms that may be considered necessary in order that the SAR will comply with any provisions respecting stock appreciation rights in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

## ARTICLE 7 – GENERAL CONDITIONS

### 7.1 General Conditions applicable to Awards

Each Award, as applicable, shall be subject to the following conditions:

- (1) *Employment* — The granting of an Award to a Participant shall not impose upon the Company or an Affiliate any obligation to retain the Participant in its employ in any capacity. For greater certainty, the granting of Awards to a Participant shall not impose any obligation on the Company to grant any awards in the future nor shall it entitle the Participant to receive future grants.
- (2) *Rights as a Shareholder* — Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards until the date of issuance of a share certificate to such Participant (or to the liquidator, executor or

administrator, as the case may be, of the estate of the Participant) (or in the case of Shares issued in uncertificated form, receipt of evidenced of a book position on the register of the shareholders of the Company maintained by the transfer agent and registrar of the Shares). Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such Share certificate is issued (or in the case of Shares issued in uncertificated form, such book position on the register is evidenced, as applicable).

- (3) *Conformity to Plan* — In the event that an Award is granted or a Grant Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with the Plan.
- (4) *Transferrable Awards* — Except to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or as required by law, no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect.

## 7.2 Termination of Employee, Director or Consultant

Subject to Section 7.3, unless otherwise determined by the Board or as set forth in a Grant Agreement:

- (1) Subject to a Participant's Employment Agreement and Grant Agreement and as otherwise determined by the Board, each Award shall be subject to the following conditions:
  - (a) *Termination for Cause.* Upon a Participant ceasing to be an Eligible Participant for Cause, all unexercised vested or unvested Options and unvested RSUs, DSUs and SARs granted to such Participant shall terminate on the Termination Date as specified in the notice of termination. For the purposes of the Plan, the determination by the Company that the Participant was discharged for Cause shall be binding on the Participant.
  - (b) *Termination other than for Cause.* In the case of a Participant ceasing to be an Eligible Participant due to such Participant's termination other than for Cause, subject to any later expiration dated determined by the Board:
    - (i) all vested and unexercised Options shall expire on the earlier of 90 days after the effective date of such Termination Date or the expiry date of such Option and all unvested Options shall terminate on the effective date of such termination; and
    - (ii) the Eligible Participant shall be entitled to receive and the Company shall issue forthwith Shares or pay cash, in accordance with the applicable Award Agreement, in satisfaction of any vested RSUs, DSUs or SARs held by the Eligible Participant on the effective date of such Termination Date. All other unexercised or unvested Awards granted to such Participant shall immediately vest and the settlement amount of any such Awards subject to Performance Criteria shall be pro-rated for the time elapsed in the applicable Performance Period up to the date of termination, and any such Awards subject to a time vesting criteria shall be pro-rated for the time elapsed from the date of grant to the date of termination.
  - (c) *Resignation.* In the case of a Participant ceasing to be an Eligible Participant due to such Participant's resignation, subject to any later expiration dates determined by the Board:
    - (i) all vested and unexercised Options shall expire on the earlier of 90 days after the effective date of such Termination Date or the expiry date of such Option and all unvested Options shall terminate on the effective date of such resignation; and
    - (ii) the Eligible Participant shall be entitled to receive and the Company shall issue forthwith Shares or pay cash, in accordance with the applicable Award Agreement, in satisfaction of any vested RSUs, DSUs or SARs held by the Eligible Participant on the effective date of such Termination Date, and all other unexercised or unvested Awards granted to such Participant shall terminate on the effective date of such resignation.

- (d) *Death or Disability.* In the case of a Participant ceasing to be an Eligible Participant due to death or Disability, as applicable, subject to any later expiration dates determined by the Board:
  - (i) all Options shall expire on the earlier of 12 months after the effective date of such death or Disability, or the expiry date of such Option, to the extent such Option was vested and exercisable by the Participant on the effective date of such death or Disability, and all unexercised unvested Options granted to such Participant shall be terminated on the effective date of such death or Disability; and
  - (ii) all RSUs, DSUs and SARs shall continue to vest for a maximum period of 12 months from the effective date of such death or Disability or until the vesting date set out in the Eligible Participant's applicable Grant Agreement (whichever is shorter and being the "**Applicable Period**") and settle within 30 days of the Applicable Period.
- (e) *Retirement.* In the case of a Participant ceasing to be an Eligible Participant due to such Participant's retirement in accordance with the Company's retirement policy, subject to any later expiration dates determined by the Board:
  - (i) all unvested Options shall continue to vest in accordance with the terms of the applicable Option Agreement and any vested unexercised Options shall expire on the earlier of five years after the effective date of retirement or the expiry date of such Option;
  - (ii) all RSUs, DSUs and SARs shall continue to vest in accordance with the terms of the applicable Grant Agreement. Settlement of any such Awards subject to Performance Criteria shall be pro-rated for the time elapsed in the applicable Performance Period up to the date of retirement.
- (2) for the avoidance of doubt, subject to applicable laws, no period of notice, if any, or payment instead of notice that is given or that ought to have been given under applicable law, whether by statute, imposed by a court or otherwise, in respect of such termination of employment that follows or is in respect of a period after the Participant's Termination Date will be considered as extending the Participant's period of employment for the purposes of determining his entitlement under the Plan;
- (3) the Participant shall have no entitlement to damages or other compensation arising from or related to not receiving any awards which would have settled or vested or accrued to the Participant after the Termination Date;
- (4) a Participant's eligibility to receive further grants of Awards under this Plan ceases as of:
  - (a) the date that the Company or an Affiliate of the Company, as the case may be, provides the Participant with written notification that the Participant's employment or services are terminated in the circumstances contemplated by this Section 7.2, notwithstanding that such date may be prior to the Termination Date; or
  - (b) the date of the death or Disability of the Participant; and
- (5) notwithstanding Subsection 7.2(3), unless the Board, in its discretion, otherwise determines, at any time and from time to time, Awards are not affected by a change of employment agreement or arrangement, or directorship within or among the Company or an Affiliate of the Company for so long as the Participant continues to be a director, employee or consultant, as applicable, of the Company or an Affiliate of the Company. For clarity and by way of example only, subject to the Board's discretion, if a director ceases to be a director but becomes or remains a consultant, the Awards held by such Participant will not be affected by ceasing to be a director.

### **7.3 Discretion to Permit Acceleration**

Notwithstanding the provisions of Section 7.2, the Board, in its discretion, subject to shareholder and TSX approval, as and when required, may at any time prior to, or following the events contemplated in such Section, or in an Employment Agreement or other written agreement between the Company or an Affiliate of the Company and the Participant, permit the acceleration of vesting of any or all Awards, all in the manner and on the terms as may be

authorized by the Board, and if such discretion is taken and the vesting of any or all Awards occurs, then such Awards will be settled in accordance with the terms hereof.

#### **7.4 Change of Control**

- (1) Despite any other provisions of this Plan, in the event of a Change of Control, all unvested Awards then outstanding will, as applicable, be substituted or replaced with awards of the surviving corporation (or any Affiliate thereof) or the potential successor (or any Affiliate thereof) (the "**continuing entity**") on the same terms and conditions as the original Awards, subject to appropriate adjustments that do not diminish the value of the original Awards.
- (2) If, upon a Change of Control, the continuing entity fails to comply with Section 7.4(1), the vesting of all then outstanding Awards (and, if applicable, the time during which such Awards may be exercised) will be accelerated in full. Immediately prior to the Change of Control, the number of Shares to be issued on settlement of any Awards subject to Performance Criteria, will be calculated against objective, as determined by the Board and further pro-rated based on the number of days elapsed during the Performance Period up to and including the date of the Change of Control.
- (3) No fractional Shares or other security will be issued upon the exercise of any Award and accordingly, if as a result of a Change of Control, a Participant would become entitled to a fractional Share or other security, such Participant will have the right to acquire only the next lowest whole number of Shares or other security and no payment or other adjustment will be made with respect to the fractional interest so disregarded.
- (4) Despite anything else contrary in the Plan, in the event of a potential Change of Control, the Board will have the power, in its sole discretion, to modify the terms of the Plan and/or the Awards to assist the Participants in tendering to a take-over bid or other transaction leading to a Change of Control. For greater certainty, in the event of a take-over bid or other transaction leading to a Change of Control, the Board had the power, in its sole discretion, to accelerate the vesting of Awards and to permit Participants to conditionally exercise their Awards, such conditional exercise to be conditional upon the take-up by such offeror of the Shares or other securities tendered to such take-over bid in accordance with the terms of the take-over bid (or the effectiveness of such other transaction leading to a Change of Control). If, however, the Change of Control referred to in this Section 7.4(4) is not completed within the time specified (as same may be extended), then despite this Section 7.4(4) or the definition of "Change of Control", (i) any conditional exercise of vested Awards will be deemed to be null, void and of no effect, and such conditionally exercised Awards will for all purposes be deemed not have been exercised, and (ii) Awards which vested pursuant to this Section 7.4(4) will be returned by the Participant to the Company and reinstated as authorized by unissued Shares and the original terms applicable to such Awards will be reinstated.
- (5) If the Board has, pursuant to the provisions of Section 7.4(4) permitted the conditional exercise of Awards in connection with a potential Change of Control, then the Board will have the power, in its sole discretion, to terminate, immediately following actual completion of such Change of Control and on such terms as it sees fit, any Awards not exercised (including all vested and unvested Awards).
- (6) Subject to any provisions with respect to the vesting of Awards in a Participant's Employment Agreement, in the event that a Participant's employment with the Company is terminated other than as a result of death, Disability or termination for Cause within 24 months of a Change of Control, (i) any Awards then outstanding shall automatically vest, so that, notwithstanding the other terms of this Plan, (ii) such Options may be exercised in whole or in part by the Participant for 90 days thereafter (or such longer period as may be prescribed by law or as may be determined by the Board in its sole discretion) or prior to the Expiry Date in respect thereof, whichever is sooner; and (iii) such RSUs, DSUs and SARs shall vest and the Participant shall be entitled to receive and the Company shall issue forthwith Shares or pay cash, in accordance with the applicable Grant Agreement, in satisfaction of any such Awards held by the Participant.

#### **7.5 Dividend Equivalents**

When dividends (other than stock dividends) are paid on Shares, Participants who have been granted RSUs or DSUs shall receive additional RSUs or DSUs, as applicable ("**Dividend Equivalents**") as of the dividend payment date. The number of Dividend Equivalents to be granted to the Participant shall be determined by multiplying the aggregate number of RSUs or DSUs, as applicable, held by the Participant on the relevant record date by the amount of the dividend paid by the Company on each Share, and dividing the result by the Market Value on the dividend payment date. Dividend Equivalents granted to a Participant in accordance with this Section 7.4 shall be subject to the same

vesting conditions applicable to the related RSUs or DSUs, as applicable, in accordance with the respective Award Agreement, and shall be settled in the same manner and within the same timeframe as such RSUs or DSUs, as applicable, unless otherwise provided for in the Award Agreement.

## **7.5 Unfunded Plan**

Unless otherwise determined by the Board, this Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Awards under this Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Company. Notwithstanding the foregoing, any determinations made shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the Income Tax Regulations, adopted under the Tax Act or any successor provision thereto.

## **7.6 Clawback of Awards**

Notwithstanding anything else in this Plan, all grants of Awards made to Eligible Participants pursuant to this Plan shall be subject to the Company's Incentive Compensation Clawback Policy.

# **ARTICLE 8 – ADJUSTMENTS AND AMENDMENTS**

## **8.1 Adjustment to Shares Subject to Outstanding Awards**

- (1) In the event of any subdivision of the Shares into a greater number of Shares at any time after the grant of an Award to a Participant and prior to the expiration of the term of such Award, the Company shall deliver to such Participant, at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof, in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such subdivision if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.
- (2) In the event of any consolidation of Shares into a lesser number of Shares at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Company shall deliver to such Participant at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such consideration if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.
- (3) If, at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Company shall make a distribution to all holders of Shares by way of a dividend or otherwise of other securities in the capital of the Company, cash, evidences of indebtedness or other assets of the Company (excluding an ordinary course dividend in cash or shares), or should the Company effect any transaction or change having a similar effect, then the price or the number of Shares to which the Participant is entitled upon exercise or vesting of Award shall be adjusted to take into account such distribution, transaction or change. The Board shall determine the appropriate adjustments to be made in such circumstances in order to maintain the Participants' economic rights in respect of their Awards in connection with such distribution, transaction or change.

## **8.2 Amendment or Discontinuation of the Plan**

- (1) The Board, in its sole discretion, may suspend or terminate the Plan at any time or from time to time and/or amend or revise the terms of the Plan or any Award at any time and any agreement relating thereto, provided that such suspension, termination, amendment, or revision shall:
  - (a) not adversely alter or impair any Award previously granted except as permitted by the terms of the Plan;
  - (b) be subject to any regulatory approvals including, where required, the approval of the TSX; and

- (c) be subject to shareholder approval, where required by law or the requirements of the TSX, provided that shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to:
  - (i) any amendment of a "housekeeping" nature, including without limitation those made to clarify the meaning of an existing provision of the Plan or any agreement, correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan or any agreement, correct any grammatical or typographical errors or amend the definitions in the Plan;
  - (ii) a change to the vesting provisions of any Award;
  - (iii) a change to accelerate the date on which any Award may be exercised under the Plan;
  - (iv) an amendment of the Plan or an Award as necessary to comply with applicable law or the requirements of any stock exchange upon which the securities of the Company are then listed or any other regulatory body having authority over the Company, the Plan, the Participants or the shareholders of the Company; or
  - (v) any amendment regarding the administration of the Plan.
- (2) Notwithstanding Section 8.2(1)(c), shareholder approval is required for the following amendments to the Plan:
  - (a) any change to the maximum number of Shares issuable from treasury under the Plan, except in the event of an adjustment pursuant to Section 8.1;
  - (b) (i) any amendment which reduces the exercise price of any Award, after such Awards have been granted, except in the case of an adjustment pursuant to Section 8.1; or (ii) any cancellation of an Award granted and the substitution of that Award by a new Award with a reduced price, except in the case of an adjustment pursuant to Section 8.1;
  - (c) any amendment which extends the expiry date of any Award, or the Restriction Period of any RSU beyond the original expiry date, except in case of an extension due to a Black- Out Period;
  - (d) would extend the term of an Option to allow for a maximum term beyond that set out in subsection 3.4;
  - (e) expands the authority of the Board to permit assignability of Awards other than for normal estate settlement purposes;
  - (f) adds to the categories of Eligible Participants who may be designated for participation in the Plan beyond those included in the definition of Eligible Participant, including but not limited to, any amendments to the categories of Eligible Participants that permit the introduction or re-introduction of non-employee directors on a discretionary basis or amendments that increases limits imposed on non-employee director participation under the Plan;
  - (g) removes or increases the Insider participation limit under the Plan; or
  - (h) any amendment to the amendment provisions of the Plan,
- (3) Any amendment or termination shall not materially and adversely alter the terms or conditions of any Award or materially and adversely impair any right of any Participant under any Award granted prior to the date of any such amendment or termination without the consent of such Participant.
- (4) Notwithstanding anything contained to the contrary in the Plan, in a Grant Agreement contemplated herein, but subject to any specific provisions contained in any Employment Agreements, in the event of a Change of Control, a reorganization of the Company, an amalgamation of the Company, an arrangement involving the Company, a take-over bid (as that term is defined in the *Securities Act* (Ontario)) for all of the Shares or the sale or disposition of all or substantially all of the property and assets of the Company, the Board may make such provision for the protection of the rights of the Participants as the Board in its discretion considers appropriate in the circumstances, including, without limitation, changing the Performance Criteria and/or other

vesting conditions for the Awards and/or the date on which any Award expires or the Restriction Period, the Performance Period, the Performance Criteria and/or other vesting conditions for the Awards.

- (5) The Committee may, by resolution, but subject to applicable regulatory approvals, decide that any of the provisions hereof concerning the effect of termination of the Participant's employment shall not apply for any reason acceptable to the Committee.
- (6) The Board may, subject to regulatory approval, discontinue the Plan at any time without the consent of the Participants provided that such discontinuance shall not materially and adversely affect any Awards previously granted to a Participant under the Plan.

## **ARTICLE 9 - MISCELLANEOUS**

### **9.1 Use of an Administrative Agent and Trustee**

The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent to administer the Awards granted under the Plan and to act as trustee to hold and administer the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion. The Company and the administrative agent will maintain records showing the number of Awards granted to each Participant under the Plan.

### **9.2 Tax Withholding**

- (1) Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of applicable source deductions. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding obligation may be satisfied by (a) having the Participant elect to have the appropriate number of such Shares sold by the Company, the Company's transfer agent and registrar or any trustee appointed by the Company pursuant to Section 9.1 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Company, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or appropriate to conform with local tax and other rules. Notwithstanding any other provision of the Plan, the Company shall not be required to issue any Shares or make any payments under this Plan until arrangements satisfactory to the Company have been made for payment of all applicable withholding obligations.
- (2) The sale of Shares by the Company, or by a Broker, under Section 9.2(1) or under any other provision of this Plan will be made on the TSX. The Participant consents to such sale and grants to the Company an irrevocable power of attorney to effect the sale of such Shares on his or her behalf and acknowledges and agrees that (i) the number of Shares sold will be, at a minimum, sufficient to fund the withholding obligations net of all selling costs are the responsibility of the Participant and which the Participant hereby authorizes to be deducted from the proceeds of such sale; (ii) in effecting the sale of any such Shares, the Company or the Broker will exercise its sole judgment as to the timing and manner of sale and will not be obligated to seek or obtain a minimum price; and (iii) neither the Company nor the Broker will be liable for any loss arising out of such sale of the Shares including any loss relating to the pricing, manner or timing of the sale(s) or any delay in transferring any Shares to a Participant or otherwise.
- (3) Notwithstanding the first paragraph of this Section 9.2, the applicable tax withholdings may be waived where the Participant directs in writing that a payment be made directly to the Participant's registered retirement savings plan in circumstances to which regulation 100(3) of the regulations of the Tax Act apply.

### **9.3 Reorganization of the Company**

The existence of any Awards shall not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company or to create or issue any bonds, debentures, shares or other securities of the Company or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

#### **9.4 Personal Information**

Each Participant shall provide the Company and the Board with all information they require in order to administer the Plan. The Company and the Board may from time to time transfer or provide access to such information to a third party service provider for purposes of the administration of the Plan provided that such service providers will be provided with such information for the sole purpose of providing such services to the Company. By participating in the Plan, each Participant acknowledges that information may be so provided and agrees to its provision on the terms set forth herein. Except as specifically contemplated in this Section 9.4, the Company and the Board shall not disclose the personal information of a Participant except: (i) in response to regulatory filings or other requirements for the information by a governmental authority with jurisdiction over the Company; (ii) for the purpose of complying with a subpoena, warrant or other order by a court, person or body having jurisdiction to compel production of the information; or (iii) as otherwise required by law. In addition, personal information of Participants may be disclosed or transferred to another party during the course of, or completion of, a change in ownership of, or the grant of a security interest in, all or a part of the Company or its Affiliates including through an asset or share sale, or some other form of business combination, merger or joint venture, provided that such party is bound by appropriate agreements or obligations.

#### **9.5 No Financial Assistance**

The Company shall not provide any form of financial assistance to Participants for the purposes of settling or exercising any Awards issued or granted pursuant to the Plan.

#### **9.6 Governing Laws**

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.

#### **9.6 Severability**

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability or any other provision and any invalid or unenforceable provision shall be severed from the Plan.

#### **9.7 Currency**

Unless otherwise specifically provided, all references to dollars or \$ in the Plan are references to Canadian dollars.

**ADDENDUM FOR U.S. PARTICIPANTS**  
**NEO PERFORMANCE MATERIALS INC.**  
**OMNIBUS LONG-TERM INCENTIVE PLAN**

The provisions of this Addendum apply to Awards held by a U.S. Participant. All capitalized terms used in this Addendum but not defined in Section 1 below have the meanings attributed to them in the Plan. The Section references set forth below match the Section references in the Plan. This Addendum shall have no other effect on any other terms and provisions of the Plan except as set forth below.

**1. Definitions.**

"**Separation from Service**" means, with respect to a U.S. Participant, any event that may qualify as a separation from service under Treasury Regulation Section 1.409A-1(h).

"**Specified Employee**" has the meaning set forth in Treasury Regulation Section 1.409A-1(i).

2. Section 4.4 is deleted in its entirety and replaced with the following:

(1) Each Participant shall have his or her DSUs redeemed on the 60<sup>th</sup> day following the Termination Date, in the form set forth in a written Notice of Redemption to the Company. In the event of death of a Participant, the Notice of Redemption shall be filed by the administrator or liquidator of the estate of the Participant. The Notice of Redemption must specify an election to receive:

(a) a cash payment equal to the number of DSUs credited to the Participant's Account as of the Termination Date multiplied by the Market Value on the Termination Date, net of any applicable withholding taxes; or

(b) a percentage of the DSUs paid out in cash and the remaining percentage of the DSUs paid out as Shares.

In the event a Notice of Redemption is not provided by a Participant prior to the 45<sup>th</sup> day following the Termination Date, such Participant will be deemed to have elected to receive a cash payment as provided for in Section 4.4(1)(a). Notwithstanding anything else to the contrary contained herein, in a Notice of Redemption or in any Grant Agreement, the Board may, in its sole and absolute discretion, satisfy any DSU so redeemed in cash, Shares or a combination thereof.

(2) The Company will make all of the payments described in this Article 4 (referred to hereinafter as the "**Final Payment**") to the Participant or the Broker, as applicable, on the 60<sup>th</sup> calendar day following the Termination Date. Upon making such payment to the Participant, the DSUs upon which such payment was based shall be cancelled and no further payments shall be made from the Plan in relation to such DSUs.

3. Section 5.5 is deleted in its entirety and replaced with the following:

"The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to an RSU have been met (the "**RSU Vesting Determination Date**"), and as a result, establishes the number of RSUs that become vested, if any. For greater certainty, the RSU Vesting Determination Date must fall after the end of the Performance Period, if any, but no later than the last day of the Restriction Period.

Notwithstanding the foregoing, if the U.S. Participant vests in his or her RSUs pursuant to the Plan, within 30 days following such U.S. Participant's Separation from Service and subject to Section 9.2, the Company shall (i) issue from treasury the number of Shares that is equal to the number of vested RSUs held by the U.S. Participant as at the U.S. Participant's Separation from Service (rounded down to the nearest whole number), as fully paid and non-assessable Shares, (ii) deliver to the U.S. Participant an amount in cash (net of the applicable tax withholdings) equal to the number of vested RSUs held by the U.S. Participant as at the U.S. Participant's Separation from Service multiplied by the Market Value as at such date, or (iii) a combination of (i) and (ii). Upon settlement of such RSUs, the corresponding number of RSUs shall be cancelled and the U.S. Participant shall have no further rights, title or interest with respect thereto."

4. Notwithstanding anything to the contrary in the Plan, in no event will any SARs or Options be exercisable beyond the tenth anniversary of the date of grant and no DSUs will be granted to a U.S. Participant.
5. Section 5.6 is deleted in its entirety and replaced with the following:

"Except as otherwise provided in the RSU Agreement, in the event that the vesting conditions, the Performance Criteria and Performance Period, if applicable, of an RSU are satisfied, all of the vested RSUs covered by a particular grant may, be settled only on one or more Code Section 409A "permissible payment events" or, in the event the RSU Agreement is structured as "short-term deferral" under Section 409A, the RSU Agreement must provide for settlement no later than March 15 of the year following the satisfaction of the applicable vesting conditions, Performance Criteria and Performance Period (the date for settlement set out in the applicable RSU Agreement, the "**RSU Settlement Date**")."

#### 5. **No Acceleration**

With respect to any Award held by a U.S. Participant that is subject to Code Section 409A, the acceleration of the time or schedule of any payment except as provided under the Plan (including this addendum) is prohibited, except as provided in regulations and administrative guidance promulgated under Code Section 409A.

#### 6. **Code Section 409A**

Each grant of Awards to a U.S. Participant is intended to be exempt from Code Section 409A. However, to the extent any Award is subject to Section 409A, then:

- (a) all payments to be made upon or as a result of a U.S. Participant's Termination Date shall only be made upon or as a result of a Separation from Service;
- (b) if on the date of the U.S. Participant's Separation from Service the Company's Shares (or shares of any other Company that is required to be aggregated with the Company in accordance with the requirements of Code Section 409A) is publicly traded on an established securities market or otherwise and the U.S. Participant is a Specified Employee, then the benefits payable to the Participant under the Plan that are payable due to the U.S. Participant's Separation from Service shall be postponed until the earlier of the originally scheduled date and six months following the U.S. Participant's Separation from Service. The postponed amount shall be paid to the U.S. Participant in a lump sum within 30 days after the earlier of the originally scheduled date and the date that is six months following the U.S. Participant's Separation from Service. If the U.S. Participant dies during such six month period and prior to the payment of the postponed amounts hereunder, the amounts delayed on account of Code Section 409A shall be paid to the U.S. Participant's estate within 60 days following the U.S. Participant's death.
- (c) to the extent a Change of Control is a payment event, then such Change of Control must also be a "change of control event" under Code Section 409A.

The Grant Agreement to any U.S. Participant may contain additional changes or restrictions as necessary to comply with applicable laws, including Code Section 409A. If any provision of the Plan or any Grant Agreement contravenes Code Section 409A or could cause the U.S. Participant to incur any tax, interest or penalties under Code Section 409A, the Board may, in its sole discretion and without the U.S. Participant's consent, modify such provision to: (i) comply with, or avoid being subject to, Code Section 409A, or to avoid incurring taxes, interest and penalties under Code Section 409A; and (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to the U.S. Participant of the applicable provision without materially increasing the cost to the Company or contravening Code Section 409A. However, the Company shall have no obligation to modify the Plan or any Grant Agreement and does not guarantee that Awards will not be subject to taxes, interest and penalties under Code Section 409A.

# QUESTIONS? NEED HELP VOTING?

## CONTACT US

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