

**Element Fleet Management Corp.  
Compensation & Corporate  
Governance Committee Mandate**

**ELEMENT FLEET MANAGEMENT CORP.****COMPENSATION AND CORPORATE GOVERNANCE COMMITTEE  
MANDATE**

*Updated as of February 27, 2024*

**1. Purpose and Scope**

The Compensation and Corporate Governance Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Element Fleet Management Corp. (the “**Corporation**”) shall exercise the responsibilities and duties set forth below in respect of compensation and corporate governance matters.

In respect of compensation matters, the Committee’s responsibilities and duties shall include, but not be limited to: determining and making recommendations to the Board with respect to all forms of compensation to be granted to the Chief Executive Officer of the Corporation (“**CEO**”); reviewing and approving the CEO’s recommendations respecting compensation of the other senior executives of the Corporation; and evaluating performance within the Corporation’s incentive programs.

In respect of corporate governance matters, the Committee is responsible for ensuring that the Corporation develops and adheres to strong governance procedures and practices.

**2. Membership and Chair*****Number of Members***

The Committee shall be composed of three or more members of the Board.

***Independence of Members***

Each member of the Committee shall be independent, within the meaning of the provisions of National Policy 58-201 *Corporate Governance Guidelines*, as it may be amended and/or replaced from time to time, subject to any exemptions or relief that may be granted from such requirements.

***Chair***

The Board shall appoint one Member as the chair of the Committee (the “**Chair**”). Unless a Chair is appointed by the Board, the Members may designate a Chair by a majority vote. The Chair will preside over all Committee meetings, coordinate the Committee’s compliance with this Mandate, work with management to develop the Committee’s annual work-plan and provide reports of the Committee to the Board.

***Term of Members***

The members of the Committee shall be appointed annually by the Board. Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a member of the Board.

***Sub-Committees***

The Committee may designate a sub-committee to review any matter within this Mandate as the Committee deems appropriate.

**3. Meetings*****Number of Meetings***

The Committee shall meet as many times as required to carry out its duties and responsibilities.

***Quorum***

The powers of the Committee shall be exercisable at a meeting at which a quorum is present. A quorum shall be not less than two Members from time to time attending in person or by telephone or other electronic means or by a resolution signed by all Members entitled to vote on that resolution at a meeting of the Committee. Matters decided by the Committee shall be decided by majority vote, each Member is entitled to one vote in Committee proceedings.

***Minutes; Reporting to the Board***

The Committee shall maintain minutes or other records of meetings and activities of the Committee in sufficient detail to convey the substance of all discussions held. Upon approval of the minutes by the Committee, the minutes shall be circulated to the members of the Board. However, the Chair may report orally to the Board on any matter in his or her view requiring the immediate attention of the Board.

***Attendance of Non-Members***

The Committee may invite to a meeting any directors, officers or employees of the Corporation, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities.

***Meetings without Management***

The Committee shall hold unscheduled or regularly scheduled meetings, or portions of meetings, at which management is not present.

***Procedure***

The procedures for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those applicable to meetings of the Board.

**4. Duties and Responsibilities**

Subject to the powers and duties and the Board, the Board has delegated the following powers and duties to be performed by the Committee on behalf of and for the Board:

***Compensation Overview***

To fulfil its responsibilities and duties in developing the Corporation's approach to compensation issues, the Committee shall:

- (a) review and approve the compensation peer group used for assessing the competitiveness of executive pay levels and practices;
- (b) review and approve corporate goals and objectives relevant to CEO compensation;
- (c) evaluate the CEO's performance in light of those corporate goals and objectives, and make recommendations to the Board with respect to the CEO's target and actual compensation earned and payable based on its evaluation;
- (d) review and approve the recommendations of the CEO with respect to the appointment, compensation and other terms of employment of the Chief Financial Officer, all senior management reporting directly to the CEO and all other officers appointed by the Board, including compensation for promotions and new-hires;
- (e) review the pay for performance alignment of the CEO and senior management reporting directly to the CEO, considering pay and performance among the Corporation's compensation peers, as well as peers selected by proxy advisors in their independent evaluations (e.g., for purposes of say on pay or Board member election recommendations);
- (f) review and approve the annual salary budget and annual incentive plan pool for the Corporation;
- (g) conduct in-depth reviews of succession options and talent management approach relating to senior management positions and, when appropriate, approve the rotation of senior executives into new roles to broaden their responsibilities;
- (h) consider an emergency succession plan and contingency plan for the Corporation for the CEO for a scenario in which the CEO suddenly and unexpectedly was unable to perform his or her duties for an extended period;
- (i) administer and interpret the Corporation's share-based compensation plans and the policies respecting the grant of share-based compensation, and review and recommend for approval of the Board the grant of equity-based incentives thereunder, the terms thereof, and any changes to the agreements, as deemed appropriate;
- (j) review and approve the aggregate pool of share-based awards granted to employees of the Corporation;
- (k) review and approve the Corporation's pension and retirement program design or benefits in light of the overall compensation policies and objectives of the Corporation;
- (l) review and recommend to the Board any amendments to the terms of the employment agreements between the Corporation and the CEO, and review and approve the employment agreements between the Corporation and executive officers;
- (m) on a biennial basis (or more frequently, as required), recommend to the Board for its approval the terms upon which directors shall be compensated, including the Chair of the Board and those acting as committee chairs and committee members;
- (n) review the Corporation's executive compensation programs to ensure they are achieving the purpose for which they were designed, including reviewing and monitoring executive share ownership and alignment with the Corporation's guidelines;

- (o) review and approve executive compensation disclosure;
- (p) evaluate the Corporation's compensation programs to ensure they are not encouraging executives or employees to take undue risk.

### ***Corporate Governance Overview***

To fulfil its responsibilities and duties in developing the Corporation's approach to corporate governance issues, the Committee shall:

- (a) conduct a periodic review of the Corporation's corporate governance policies and make recommendations to enhance Board and committee effectiveness;
- (b) review the Corporation's public disclosure relating to corporate governance practices;
- (c) propose agenda items and content for submission to the Board related to corporate governance issues and provide periodic updates on recent developments in corporate governance to the Board;
- (d) conduct a periodic review of the Corporation's approach to diversity and inclusion and make policy recommendations aimed at enhancing the Corporation's diversity and inclusion strategy;
- (e) conduct a periodic review of the relationship between management and the Board, particularly in connection with a view to ensuring effective communication and the provision of information to directors in a timely manner;
- (f) review and recommend the appropriate structure, size, composition, mandate and members for the Board committees;
- (g) recommend procedures to ensure that the Board and each of its committees function independently of management;
- (h) monitor conflicts of interest (real or perceived) of both the Board and management in accordance with applicable policies and standards;
- (i) recommend procedures to permit the Board to meet on a regular basis without management or non-independent directors;
- (j) if applicable, together with the Audit Committee, receive reports regarding breaches of the Code of Business Conduct and Ethics, review any applicable investigations and resolutions and report findings to the Board; and
- (k) conduct a periodic review of the Corporation's strategy with respect to sustainability issues.

### ***Nomination, Composition and Qualifications for the Board***

To fulfill its responsibilities and duties in developing the Corporation's approach to nomination, composition and qualifications for the Board, the Committee shall:

- (a) develop and update a long-term plan for the composition of the Board that takes into

consideration the current strengths, competencies, skills, diversity and experience of the Board members, retirement dates and the strategic direction of the Corporation, and report to the Board thereon at least annually;

- (b) undertake on an annual basis an examination of the size of the Board, with a view to determining the impact of the number of directors, and recommend to the Board, if necessary, a reduction or increase in the size of the Board;
- (c) endeavor, in consultation with the Chair of the Board, to ensure that an appropriate system is in place to evaluate the effectiveness of the Board as a whole, the committees of the Board and the individual directors with a view to ensuring that they are fulfilling their respective responsibilities and duties;
- (d) in consultation with the Chair of the Board, and the CEO, annually or as required, recruit and identify individuals qualified to become new Board members and recommend to the Board new director nominees for the next annual meeting of shareholders; and
- (e) in consultation with the Chair of the Board, annually or as required, recommend to the Board the individual directors to serve on the various committees.

In making its recommendations, the Committee shall consider the competencies and skills that the Board considers to be necessary for the Board as a whole to possess, the competencies and skills that the Board considers each existing director to possess, and the competencies and skills each new nominee will bring to the Board. The Committee shall also consider the diversity of the Board and each new nominee and ensure that the Committee gives proper consideration to a diverse set of candidates. The Committee shall also consider the amount of time and resources that nominees have available to fulfill their duties as a Board member.

The Committee may also recommend for Board approval the removal of a director from the Board or from a Board committee if he or she is no longer qualified to serve as a director under applicable requirements or for any other reason the Committee considers appropriate.

#### ***Orientation and Continuing Education of Board Members***

The Committee shall maintain policies and procedures to ensure sufficient orientation procedures are in place to enable new directors to operate efficiently from the beginning of their appointment. The Committee shall review with each new member: (i) certain information and materials regarding the Corporation, including the role of the Board and its committees; and (ii) the legal obligations of a director of the Corporation.

The Committee shall also ensure that sufficient continuing education and development programs are in place for all members of the Board.

The Committee shall review, monitor and, where necessary, make recommendations regarding the Corporation's initial orientation and the continuing education and development program for existing directors.

#### **5. Access to Management and Outside Advisors**

The Committee shall have unrestricted access to management and employees of the Corporation, including documents and resources necessary to carry out its duties and responsibilities. In the discharge of its duties and responsibilities, the Committee shall have the authority to communicate directly with and seek information it requires from any officer or employee of the Corporation and such persons shall be

instructed by the Board to respond to such inquiries.

The Committee shall have the authority to retain legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective reasonable compensation of these advisors. The Corporation shall provide appropriate funding, as determined by the Committee, for the services of these advisors.

#### **6. Mandate Review**

The Committee shall review and update this Mandate annually and present it to the Board for approval.

#### **7. No Rights Created**

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of the Corporation. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Corporation's Articles and By-laws, it is not intended to establish any legally binding obligations.