



## MANDATE OF THE AUDIT COMMITTEE

The Audit Committee of the Board of Directors is composed of a minimum of three (3) non-related, independent directors and the quorum shall consist of a majority of the members duly appointed by the Board of Directors.

The Audit Committee is responsible for reporting on certain aspects of the stewardship of the Corporation as delegated by the Board of Directors. All the members of the Audit committee should possess sufficient knowledge to be able to read and understand the financial statements. At least one of the members of the committee should have « related accounting or finance expertise » for having occupied functions in the accounting or finance sectors, the necessary accounting professional certification or any other comparable experience allowing the acquisition of the professional qualifications and experience, including the occupation of the position of Chief Executive Officer, Chief Financial Officer or officer with financial responsibilities, and be knowledgeable to analyze and understand a complete set of financial statements.

The members of the committee are re-appointed each year by the Board of Directors at the first meeting of the Board of Directors following the Annual Meeting of the shareholders or at another meeting, if a vacancy occurs. The Board of Directors also appoints a chairman among the members of the Audit Committee.

The Board of Directors retains plenary authority and power to do all lawful acts and things that are not by law or otherwise directed or required to be exercised or done by the shareholders of the Corporation or in some other manner.

All directors shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

### Definition of Responsibilities

In carrying out its responsibilities, the Audit Committee of the Board of Directors shall have the following specific responsibilities and duties:

#### A. Auditor

1. Oversee the qualifications and independence of the auditor of the Corporation and approve the terms and conditions of its audit and non-audit service engagements as required by and in accordance with applicable laws and regulations of the stock exchange and of securities regulatory authorities on which the Corporation lists its securities.
2. Obtain an annual report from the auditor listing all the services and including all related expenses provided to the Corporation, other than those related to the internal audit.
3. Approve any service non-related to the audit and required by the Corporation.
4. Oversee the work of the auditor of the Corporation for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation.
5. Participate to the resolution of disagreements between Corporation's management and the auditor regarding financial reporting.
6. Recommend to the Board of Directors the compensation of the auditor.



7. Review the competency and adequacy of the accounting personnel to discharge the Corporation responsibility with the necessary regulatory bodies in consultation with the President and Chief Executive Officer, the Chief Financial Officer and the auditor.
8. Assess the performance of the auditor and ensure the filling of any vacancy in the office of the auditor between annual shareholders' meetings.
9. Recommend the annual appointment or, if appropriate, the removal, of the auditor of the Corporation to the Board of Directors of the Corporation for approval.
10. Prepare, in consultation with Corporation's management and the auditor, an annual audit plan to determine the work to be done by the auditor and the monitoring of certain aspects of the internal control of the Corporation.
11. Meet privately with the auditor on an annual basis or at any time when deemed necessary to review the results of their finding in their internal audit.
12. Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditor of the Corporation.

#### **B. Internal Controls**

13. Review (i) the relevancy of the Corporation's internal controls and procedures implemented to ensure compliance with laws and regulations, and (ii) on an annual basis, the internal control report prepared by the Director – Financial Information.
14. Provide the Governance, Remuneration and Risk Committee of the Corporation with any internal control report prepared by the Director – Financial Information with respect to internal controls.
15. Oversee the reliability and integrity of accounting principles and practices followed by management, financial statements and other financial reporting, and disclosure practices followed by management.
16. Receive, for information purpose, the Corporate Profile Risk Policy of the Corporation, as presented by the management to the Governance, Remuneration and Risks Committee.

#### **C. Disclosure Documents**

17. Review and recommend to the Board of Directors for approval the annual audited consolidated financial statements of the Corporation, the quarterly un-audited consolidated financial statements of the Corporation, MD&A and annual and interim profit or loss press releases in order to confirm their compliance with applicable laws before their disclosure by the Corporation.
18. Review and recommend to the Board of Directors for approval, management's discussion and analyses of financial condition and results of operations, prospectuses, annual information forms, annual reports or other applicable forms, as the case may be, including proxy circulars and proxy statements sent to shareholders of the Corporation, and, any other material disclosure documents as determined by the Board of Directors from time to time.



#### **D. Banking and Borrowing Facilities**

19. Review and recommend to the Board of Directors for approval, borrowings, credit facilities (and their renewal) and other banking arrangements of the Corporation.

#### **E. Whistleblowing**

20. Provide oversight of any process related to (i) the receipt, retention and treatment of complaints received by the Corporation regarding a violation of an existing law or regulation, the Corporation's code of business conduct and ethics or any of the Corporation's corporate policies, procedures, requirements and directives, and (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding the foregoing.
21. Establish procedures for (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters and (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
22. Investigate any claims originating from third parties and received directly by the Committee and any claims of third parties received by the Corporation's management and disclosed to the Committee on a promptly basis, the income tax departments, etc. and establish their real or potential impact on the results of the Corporation and ensure proper annotations are made to the financial statements.

#### **F. General**

The Committee shall report, on a timely and regular basis, its findings and conclusions to the Board of Directors with respect to any of the matters described above. Furthermore, the Committee may discuss any other matter as delegated by the Board of Directors.

The authority to grant preapprovals on any audit and non-audit service engagements may be delegated by the Audit Committee to one or more of its designated members, being understood that such member(s) shall ensure that the qualifications and the independence of the auditor are sustained and not affected. Such preapprovals or decisions shall be ratified by the Audit Committee at the next meeting.

The Committee acknowledges and agrees that the Corporation received from its auditor and/or other professionals, various educational, informational and other tools in the form of newsletters, webcast, podcast, websites, database subscriptions, checklist, research reports, surveys or other similar or related tools and services ("Subscriptions"). Considering that the Corporation's management may use, consult, consider or otherwise refer to such Subscriptions, the Committee acknowledges and approves the use of such Subscription by the Corporation's management.

In discharging its duties and responsibilities, the Audit Committee is expected to be fully diligent in its oversight to avoid fraud or abuse. Accordingly, the Board of Directors may conduct such examinations, investigations or inquiries, and engage such special legal, accounting or other advisors, at the expense of the Corporation, at such time or times and on such terms and conditions as the Board of Directors considers appropriate.

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Revised by the Board of Directors on June 17, 2020.