

TIDEWATER RENEWABLES LTD.

GOVERNANCE, COMPENSATION, SAFETY AND SUSTAINABILITY COMMITTEE TERMS OF REFERENCE

Role and Objective

The Governance, Compensation, Safety and Sustainability Committee (the "**Committee**") is a committee of the board of directors (the "**Board**") of Tidewater Renewables Ltd. ("**Tidewater Renewables**" or the "**Corporation**") to which the Board has delegated the responsibility for developing, implementing and monitoring the approach of the Corporation to matters concerning corporate governance, human resource policies, compensation of the directors, officers and employees of the Corporation to ensure alignment with the Corporation's short and long term goals, and with respect to developing, implementing and monitoring policies, standards and practices of the Corporation with respect to matters concerning environment, safety and sustainability. From time to time, the Committee shall review and make recommendations to the Board as to such matters.

Membership of the Committee

1. The Committee will be comprised of at least three (3) directors or such greater number as the Board may determine from time to time and all members of the Committee shall be "independent" (as such term is defined for purposes of National Policy 58-201 – *Corporate Governance Guidelines*).
2. The Board may from time to time designate one of the members of the Committee to be the chair of the Committee (the "**Committee Chair**").

Mandate and Responsibilities of the Committee

3. In addition to any other duties and authorities delegated to it by the Board from time to time, the Committee will have the authority and responsibility for:

Corporate Governance Matters:

- (a) monitoring best governance practices and annually reviewing the Corporation's governance practices with a view to maintaining high standards of corporate governance;
- (b) recommending and reporting to the Board on corporate governance issues, principles and guidelines for review, discussions, approval or other action to be taken by the Board;
- (c) annually reviewing the mandates of the Board and its committees and recommending to the Board such amendments to those mandates as the Committee believes are necessary or desirable;
- (d) considering and, if thought fit, approving requests from directors or committees of directors of the engagement of special advisors from time to time;
- (e) annually preparing and recommending to the Board a statement of corporate governance practices to be included in the Corporation's annual report or information circular as required by the Toronto Stock Exchange and any other regulatory authority, as applicable;
- (f) making recommendations to the Board as to which directors should be classified as "independent", "related" or "unrelated" pursuant to any such report or circular, as applicable;

- (g) reviewing on a periodic basis and before each annual general meeting the composition of the Board and Board committees, and ensuring that an appropriate number of independent directors sit on the Board, analyzing the needs of the Board and recommending nominees who meet such needs;
- (h) reviewing and recommending to the Board for approval, as required, the candidates for appointment of the Chair of the Board (the "**Board Chair**") and the lead director of the Board (the "**Lead Director**"), as applicable, the Board committee members and the Board committee chairs;
- (i) assessing, at least annually, the effectiveness of the Board as a whole, the committees of the Board and their respective Chairs and the contribution of individual directors (including the competencies and skills that each individual director is expected to bring to the Board), including considering the appropriate size of the Board;
- (j) identifying and recommending suitable candidates for nominees for election or appointment as directors, and recommending the criteria governing the overall composition of the Board and governing the desirable individual characteristics for directors and in making such recommendations, the Committee shall consider:
 - (i) the needs of the Corporation and its stage of development and the competencies and skills that the Board considers to be necessary for the Corporation and the Board, as a whole, to possess;
 - (ii) the competencies and skills that the Board considers each existing director to possess;
 - (iii) the competencies and skills each new nominee will bring to the boardroom; and
 - (iv) whether or not each new nominee can devote sufficient time and resources to his or her duties as a member of the Board;
- (k) reviewing proposed additional directorships being pursued by directors of the Corporation prior to any director accepting any new directorship in order to manage any conflicts or perceived conflicts;
- (l) as required or requested, developing, for approval by the Board, an orientation and education program for new recruits to the Board and continuing education for all members of the Board;
- (m) making recommendations to the Board regarding appointments of corporate officers and senior management;
- (n) conducting an assessment of succession and resourcing planning risks facing the Corporation and identifying ways in which to mitigate any such risks to provide for timely and effective continuity of leadership for the Corporation;
- (o) periodically reviewing the Corporation's policy on share ownership guidelines for directors and officers and the compliance of officers and directors in relation thereto, as applicable;
- (p) reviewing, on an annual basis, directors' and officers' liability insurance coverage, including the amount and terms of any insurance to be obtained or maintained with respect to potential liabilities incurred by directors or officers in the discharge of their duties and responsibilities;

- (q) reviewing and considering the engagement at the expense of the Corporation of professional and other advisors by any individual director when so requested by any such director (provided, however, that no such review and no approval shall be necessary in order for the Audit Committee to retain persons having special expertise to provide independent professional advice to assist the Audit Committee in fulfilling its responsibilities at the expense of the Corporation);
- (r) establishing, reviewing and updating periodically a Code of Business Conduct and Ethics (the "**Code**") and ensure that management has established a system to monitor compliance with the Code;
- (s) overseeing the appropriate resolution of any conflict of interest between or among an officer, director or shareholder, which is properly directed to the Committee by the Board Chair, a director, a shareholder, the Board, the external auditors, or an officer of the Corporation;

Compensation Matters:

- (t) reviewing the compensation philosophy and remuneration policy for employees of the Corporation and to recommend to the Board changes to improve the Corporation's ability to recruit, retain and motivate employees;
- (u) reviewing and recommending to the Board the retainer and fees to be paid to members of the Board to ensure that such compensation reflects responsibilities and risks involved in being an effective Board member, and proposing the terms and awards of equity compensation for directors;
- (v) reviewing and approving corporate goals and objectives relevant to the compensation of the executive officers, evaluating the performance of such officers in light of those corporate goals and objectives, and determining (or making recommendations to the Board with respect to) executive officer compensation based on such evaluation;
- (w) periodically reviewing and administering the equity incentive plans (collectively, the "**Incentive Plans**") approved by the Board in accordance with their terms including recommending (and if delegated authority thereunder, approving) the grant of awards or other incentives under the Incentive Plans in accordance with the terms thereof;
- (x) reviewing risks facing the Corporation relating to executive and employee compensation matters and recommending mitigation strategies to manage such risks, as deemed necessary;
- (y) determining and recommending for approval of the Board bonuses to be paid to officers and employees of the Corporation and its subsidiaries, as applicable, and establishing targets or criteria for the payment of such bonuses, if appropriate; and
- (z) preparing and submitting a report of the Committee to the Board for approval of the Board and inclusion of annual disclosure (if required by applicable securities laws) to be made by the Corporation including the compensation committee report to be included in the information circular of the Corporation and reviewing other executive compensation disclosure before the Corporation publicly discloses such information;

Sustainability Matters:

- (aa) reviewing the Corporation's fundamental policies and internal controls pertaining to environment, health and safety, and sustainability and reviewing procedures designed to

minimize environmental, occupational health and safety and other risks to asset value and mitigate such risks, while undertaking due consideration of opportunities and performance enhancement in relation thereto;

- (bb) reviewing the Corporation's compliance with all applicable laws and regulations with respect to environment, health and safety;
- (cc) verifying that management proactively identifies and monitors the impact of proposed legislation and other emerging issues in environment and sustainability areas, as well as other emerging issues, trends and public opinion which could impact the Corporation's activities, plans, strategies or reputation and recommending, where significant, appropriate responses to the Board;
- (dd) reviewing the findings of any significant report by regulatory agencies, external environment or auditors concerning the Corporation's performance in the areas of environment, social matters, and sustainability;
- (ee) reviewing public and other communication with stakeholders on performance in the areas of sustainability and environment, including but not limited to sustainability reports (or analogous disclosure), in conjunction with the Audit Committee;
- (ff) ensuring the policies, procedures and practices related to sustainability matters are relevant and consistently applied and align with the Corporation's values of integrity, safety & respect;
- (gg) reviewing, through the Corporation's enterprise risk management system, the identification and management of climate, environmental, social and sustainability related risks and opportunities in relation to plausible future outcomes and reporting to the Board thereon; and
- (hh) confirming that business is conducted in a socially responsible, ethical and transparent manner and that management engages, respects and supports the communities in which the Corporation works.

Meetings and Administrative Matters

4. At all meetings of the Committee every resolution shall be decided by a majority of the votes cast. In case of an equality of votes, the Chair of the meeting shall not be entitled to a second or casting vote and in such cases, the undecided matter should be referred to the Board as a whole.
5. The Committee Chair will preside at all meetings of the Committee, unless the Chair is not present, in which case the members of the Committee that are present will designate from among such members the chair for purposes of the meeting.
6. A quorum for meetings of the Committee will be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee will be the same as those governing the Board unless otherwise determined by the Committee or the Board.
7. Meetings of the Committee should be scheduled to take place at least one time per year and at such other times as the Committee Chair may determine.
8. Agendas, approved by the Chair, will be circulated to Committee members along with background information on a timely basis prior to the Committee meetings.

9. The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as it sees fit from time to time to attend at meetings of the Committee and assist in the discussion and consideration of the matters being considered by the Committee. At each meeting, the Committee will meet in-camera without management present.
10. Minutes of the Committee will be recorded and maintained and circulated to directors who are not members of the Committee or otherwise made available at a subsequent meeting of the Board.
11. The Committee may retain persons having special expertise and may obtain independent professional advice to assist in fulfilling its responsibilities at the expense of the Corporation, as determined by the Committee.
12. Any members of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy exists on the Committee, the remaining members may exercise all of the Committee's powers so long as a quorum remains. Subject to the foregoing, following appointment as a member of the Committee, each member will hold such office until the Committee is reconstituted.
13. Any issues arising from Committee meetings that bear on the relationship between the Board and management should be communicated to the Board Chair by the Committee Chair.
14. In discharging its duties under this Mandate, the Committee may investigate any matter brought to its attention and will have access to all books, records, facilities and personnel, may conduct meetings or interview any officer or employee, the Corporation's legal counsel, external auditors and consultants and may invite any such persons to attend any part of any meeting of the Committee.