

**SOURCE ENERGY SERVICES LTD.**  
**HEALTH, SAFETY AND ENVIRONMENT COMMITTEE MANDATE**

**Section 1 Purpose**

The Health, Safety and Environment Committee (the “**Committee**”) is a committee of the board of directors (the “**Board**”) of Source Energy Services Ltd. (the “**Company**”). The primary function of the Committee is to assist the Board by:

- (a) overseeing the Company’s policies and management systems which are designed to cause it to comply with applicable laws, regulations and rules with respect to (i) the protection of the health and safety of all persons associated with the operations of the Company, (ii) the protection of the biological and physical environments, and (iii) the relationship of the Company with the communities nearest its operations (collectively, “**Applicable Laws**”);
- (b) reviewing and commenting upon management’s strategies to enhance the Company’s image among its stakeholders;
- (c) evaluating the performance of the Company with respect to the matters identified in paragraph (a) above; and
- (d) reviewing management strategies to identify, assess and avoid and/or mitigate regulatory compliance, health, safety and environment risks.

**Section 2 Composition and Meetings**

- (a) The Committee shall be comprised of at least two directors of the Company who are appointed by the Board. A majority of the members of the Committee shall be “independent” for the purposes of National Policy 58-201 – *Corporate Governance Guidelines* and each member shall (or shall become within a reasonable period of time after appointment) familiar with health, safety, environmental, community engagement and public policy matters as they pertain of the business and operations of the Company.
- (b) The members of the Committee and its chair (the “**Chair**”) shall be elected by the Board on an annual basis, or until they are removed or their successors are duly appointed. Unless the Chair is elected by the full Board, the members of the Committee may designate the Chair by majority vote of the full Committee membership.
- (c) The members of the Committee may be removed or replaced by the Board at any time. The Chair may be removed by the Board at any time. Any member who is a director shall automatically cease to be a member of the Committee on ceasing to be a director. The Board may fill vacancies on the Committee. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all of the powers of the Committee, so long as a quorum remains.
- (d) The Committee may delegate any or all of its functions to any of its members or any sub-set thereof, or other persons, from time to time as it sees fit.
- (e) The Committee shall meet at least two times per annum or more frequently as circumstances require. The Committee may ask members of management or others to attend meetings or to provide information as necessary. The Committee shall have full access to all information it deems appropriate for the purpose of fulfilling its role.
- (f) The Committee may if considered appropriate, conduct or authorize investigations into any matters within the Committee’s scope of activities. The Committee is empowered to retain independent counsel, accountants or other experts and other professionals to assist it in the conduct of any such investigation or otherwise as it determines necessary to carry out its duties. The Committee may set and pay (at the expense of the Company) the compensation for any such advisors.
- (g) At all meetings of the Committee every question shall be decided by a majority of the votes cast. In the case of an equality of votes, the chair of the meeting shall not be entitled to a second or casting vote. Any matters upon which the majority will of a duly constituted meeting in which a quorum participated cannot be determined shall be referred to the full Board.
- (h) A quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee.

- (i) Meetings of the Committee shall be held from time to time and at such place as any member of the Committee shall determine upon 48 hours' notice to each of its members. The notice period may be waived by all members of the Committee. Each of the Chair of the Board, the Chief Executive Officer of the Company, the Chief Financial Officer of the Company or the Corporate Secretary of the Company shall also be entitled to call a meeting.
- (j) Agendas shall be circulated to Committee members along with background information on a timely basis prior to the Committee meetings. It will be considered best practice, but not necessary, to allow the Chair to approve any proposed meeting agenda. Minutes of each meeting will be recorded and circulated to directors who are not members of the Committee or otherwise made available at subsequent meetings of the Board.
- (k) Any issues arising from these meetings that bear on the relationship between the Board and management should be communicated to the Board by the Chair.

### **Section 3 Role**

In addition to the matters described in Section 1, and any other duties and authorities delegated to it by the Board from time to time, the role of the Committee is to:

#### **(1) General**

- (a) Annually review this Mandate and recommend to the Board changes hereto, as considered appropriate from time to time.
- (b) Record minutes of its meetings, review them for errors or omissions and submit them to the Corporate Secretary who will file them and make them available to any director.

#### **(2) Regulatory Compliance, Health, Safety, Environment and Community Engagement**

- (a) Actively promote amongst all directors, officers, employees, consultants, contractors and other personnel of the Company a workplace environment and culture that prioritizes regulatory compliance, the health and safety of the Company's stakeholders and sustainable environmental practices.
- (b) Monitor, assess and report to the Board on changes to Applicable Laws and industry standards in regard to health, safety and environmental matters.
- (c) Monitor, assess and report to the Board on the effectiveness of existing health, safety and environmental practices, procedures and policies of the Company as prepared by and updated from time to time by management to ensure compliance with Applicable Laws, conformity to industry standards and prevention or mitigation of losses and, in the discretion of the Committee, make recommendations to the Board regarding changes to such practices, procedures and policies.
- (d) Monitor, assess and report to the Board on the relationship of the Company with the communities affected by its business and operations.
- (e) Consider and recommend to the Board policies for the improvement of the relationship of the Company with the communities affected by its business and operations.
- (f) Direct the preparation of, and then review, consider and report to the Board on, reports and recommendations issued by management or by external advisors relating to health, safety and environmental issues, compliance matters and the interaction of the Company with the communities affected by its business and operations, together with management's response to those reports and recommendations.
- (g) From time to time, tour the Company's operations, interview the senior officers of the Company responsible for operations and a sampling of the operating personnel and report to the Board on such meetings.
- (h) Periodically review, assess and report to the Board on the Company's emergency response plan, if any, and state of readiness to respond to crisis situations.
- (i) Monitor, assess and report to the Board on any civil or criminal occupational health and safety or environmental proceedings, claims, orders, actions or government investigation contemplated or threatened against the Company.
- (j) Review, assess and report to the Board on circumstances involving any emergency that forces the indefinite shut-down of operations, loss of safe operating control, serious injuries or fatalities

among employees, contractors or the public; extensive damage to property or a serious harm to the environment.

- (k) Review, assess and report to the Board on health, safety and environmental programs implemented by management for any of the Company's employees.

**(3) Reporting Process**

Submit to the Board, as a whole, reports concerning health, safety and environmental matters. Such reports may be oral or in writing. Unless such matters are delegated specifically to the Committee, the Committee shall only make recommendations to the Board for their consideration and approval, if appropriate. The Board will then have the authority to instruct management to implement the Board's directives.

**Section 4 Complaint Procedures**

**(1) Submitting a Complaint**

Anyone may submit a whistleblower notice or complaint regarding conduct by the Company or its subsidiaries or their respective employees or agents reasonably believed to involve questionable conduct. If a whistleblower complaint is submitted regarding health, safety, and environment matters, the Chair or in his/her absence or by his/her delegation, any other member of the Committee should oversee the treatment of such complaint.

**(2) Procedures**

- (a) The Chair is designated to receive and administer or supervise the administration of complaints with respect to health, safety, and environment matters.
- (b) In order to preserve anonymity when submitting a complaint regarding a possible breach involving health, safety, and environment matters, the complainant may submit a complaint in accordance with the Company's Whistleblower Policy, and such complaint shall be addressed in accordance with that policy.

**(3) Records and Report**

The Chair should maintain a log of health, safety, and environment related complaints, tracking their receipt, investigation, findings and resolution, and should prepare a summary report for the Committee.

*Approved by the Board on February 10, 2017, as amended and restated on March 14, 2019 and November 4, 2021.*