



**LI-FT POWER LTD.**  
**(the “Company”)**

**MANDATE OF THE BOARD OF DIRECTORS**

**1. PURPOSE**

The board of directors (the “Board”) of the Company directly, and through its committees, oversees the management of, and provides stewardship over, the Company’s affairs. The Board’s primary goal is to act in the best interests of the Company. Directors may consider the interests of stakeholders such as shareholders, employees, creditors, suppliers, customers, governments and the community in which the Company operates in determining the long and short-term interests of the Company.

The organization and authority of the Board are subject to any restrictions, limitations or requirements set out in the Company’s constituting documents, including its articles and by-laws, as well as in any investor rights agreement or similar agreements which may exist, from time to time, between the Company and certain securityholders (“Investor Agreements”), as well as any restrictions and limitations or requirements set out under applicable laws and regulations, including the Business Corporations Act (British Columbia), Canadian securities legislation and the standards, rules, policies and guidelines of the stock exchange(s) on which the Company’s securities are listed (collectively, the “Applicable Laws”).

**2. COMPOSITION AND QUALIFICATION**

**2.1. Selection and Orientation of Members**

The number of directors shall be fixed by the Board in accordance with the Company’s constituting documents and Applicable Laws, upon the recommendation of the Corporate Governance and Nominating Committee. The size of the Board should be one that can function effectively as a board.

Directors must have an appropriate mix of skills, knowledge and experience in business and an understanding of the industry and the geographical areas in which the Company operates. Without limiting the foregoing, directors are expected to possess the following characteristics and traits: (i) demonstrate high ethical standards and integrity in their personal and professional dealings, (ii) provide independent judgment on a broad range of issues, and (iii) understand and challenge the key business plans and the strategic direction of the Company.

**2.2. Board Term**

The Board is elected by the shareholders of the Company to hold office for the ensuing year or until their successors are elected or appointed. The Corporate Governance and Nominating Committee will recommend to the full Board nominees for election to the Board and the Board

will propose nominees to the shareholders for election as directors for the ensuing year.

### **2.3. Independence**

A majority of the directors on the Board must be independent in accordance with Applicable Laws.

The Chair of the Board should be an independent director. Where the Chair of the Board is not an independent director, the independent directors must designate one of their number to act as lead director (the "Lead Director") to chair regular meetings of the independent directors and assume other responsibilities which the independent directors have designated.

## **3. MEETINGS AND PARTICIPATION**

The Board shall have at least four regularly scheduled meetings, at least one in each quarter, in each financial year of the Corporation.

The Chair, the Chief Executive Officer (the "CEO") and the Lead Director, if any, are responsible for the agenda for each meeting of the Board. Prior to each Board meeting, the Chair and the CEO should discuss agenda items for the meeting with the Lead Director, if any. Materials for each meeting shall be distributed to the Board sufficiently in advance of the meeting.

No business may be transacted by the Board except at a meeting at which a quorum of the Board is present. A quorum for meetings of the Board is a majority of its directors. The Board may invite such officers, directors, and employees of the Company as it may see fit from time to time to attend meetings of the Board and assist in the discussion of the Board.

The Board shall keep minutes of its meetings in which shall be recorded all action taken by it, which minutes shall be subsequently presented to the Board for review and approval.

Directors are expected to attend all Board and committee meetings, as applicable, and review in advance all meeting materials and otherwise adequately prepare for all Board and committee meetings.

## **4. DUTIES AND RESPONSIBILITIES**

The Board discharges its responsibilities directly and through its standing committees, namely the Audit Committee, Compensation Committee and Corporate Governance and Nominating Committee, and other committees the Board may establish based on the needs of the Company. In addition to these regular committees, the Board may appoint ad hoc committees periodically to address certain issues of a more short-term nature. In addition to the Board's primary roles of overseeing the affairs of the Company, principal duties include, but are not limited to the following categories:

### **4.1 Supervising Management of the Company**

The Board is responsible for:

- (a) The Board has the responsibility for approving the appointment of the CEO and any other officers of the Company (collectively, the “Officers”), and approving the compensation of the CEO and Officers of the Company following a review of the recommendations of the Compensation Committee.
- (b) The Board is responsible for developing and approving corporate objectives which the CEO is responsible for meeting, and assessing the CEO against these objectives.
- (c) The Board has delegated authority to the CEO for the overall management of the Company, including strategy and operations, to ensure the long-term success of the Company and to maximize shareholder value.
- (d) The Board may from time to time delegate authority to the Officers, subject to specified limits. Matters which are outside the scope of the authority delegated to the Officers and material transactions are reviewed by and subject to the prior approval of the Board.
- (e) The Board is responsible for monitoring the performance and training of management.
- (f) The Board will take all reasonable steps to satisfy itself of the integrity of the CEO and management and satisfy itself that the CEO and management create a culture of integrity throughout the organization.
- (g) The Board is responsible for overseeing succession planning matters for the CEO, officers and senior management, including the appointment, training and monitoring of such persons. To assist them with certain of those responsibilities, the Board has established the Compensation Committee and the Nomination and Corporate Governance Committee.
- (h) The Board is responsible, along with management, for fostering a culture that adheres to the Company’s core values.

## **4.2 Financial Matters**

- (a) The Board is responsible for reviewing the financial and underlying operational performance of the Company and assessing whether the Company continues to be a going concern.
- (b) The Board should review and approve the annual and interim financial statements, management's discussion and analysis related to such annual and interim financial statements, budgets and forecasts, and the annual information form and management information circular of the Company.
- (c) The Board is responsible for considering, and if established, reviewing from time to time, and approving of a dividend and any dividend policy for the Company.

## **4.3 Strategic Planning**

- (a) As part of the strategic planning process, the Board:

- (i) approves annually the Company's overall strategic plan and direction which takes into account, among other things, the opportunities, risks and sustainability of the Company's business and affairs identified by management;
  - (ii) monitors and assesses developments which may affect the Company's strategic plan; and
  - (iii) monitors and oversees the execution of the strategic plan by management.
- (b) Approves the Company's annual operating and capital budgets and receives reports from management in respect of the Company's actual results and a comparison of the actual results to the Company's annual budgets.
- (c) Reviews and, where appropriate, approves the Company's financial objectives, plans and actions, including significant capital allocations and expenditures.
- (d) Reviews and approves material transactions that are not in the ordinary course of business

#### **4.4 Risk Management**

The Board is responsible for identifying the principal risks of the Company's businesses and ensuring that those risks are effectively managed. The Board may delegate to the Audit Committee responsibility for reviewing the Company's internal controls and risk management policies and procedures.

The Board shall ensure that systems are in place to identify principal risks to the Company and its businesses and that appropriate procedures are in place to manage those risks and to address and comply with applicable regulatory, corporate, securities and other legal requirements. Specifically, the Board shall ensure that procedures are in place to comply with the law, the Company's Articles of Incorporation, the Company's Code of Business Conduct and Ethics, all exemption orders issued in respect of the Company by applicable securities regulatory authorities, and all other significant Company policies and procedures.

#### **4.5 Communications and Corporate Disclosures**

The Board is responsible for overseeing the continuous disclosure program of the Corporation with a view to satisfying itself that procedures and policies are in place and that senior management is adhering to such procedures and policies to ensure that material information is disclosed in a timely fashion.

The Board will ensure that the Corporation has a fulsome disclosure policy which includes a framework and procedures for investor relations and public disclosure in accordance with best practices.

#### **4.6 Internal Controls**

The Board is responsible for ensuring the integrity of the Company's internal control and management information systems. The Board may delegate its responsibilities relating to the Company's internal control and management information systems to the Audit Committee.

#### **4.7 Corporate Governance**

The Board is responsible for developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company. The Board shall monitor and evaluate the effectiveness of the system of corporate governance at the Company, including the information requirements for the Board, the frequency and content of meetings and the need for any special meetings, communication processes between the Board and management, the charters of the Board and its committees and policies governing size, and compensation of the Board. To assist them with certain of these responsibilities, the Board has established the Audit Committee, Corporate Governance and Nominating Committee and the Compensation Committee.

The Board is responsible for reviewing corporate policies and committee charters on an annual basis.

#### **4.8 Orientation and Continuing Education**

The Board is responsible for ensuring that all new directors receive a comprehensive orientation, so that they fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and energy that the Company expects from its directors); and the nature and operation of the Company's business.

The Board is responsible for providing continuing education opportunities for all directors, so that they may maintain or enhance their skills and abilities as directors; and ensure that their knowledge and understanding of the Company's business remains current.

#### **4.9 Code of Business Conduct and Ethics**

The Board is responsible for adopting a written code of business conduct and ethics (the "Code"), applicable to directors, officers and employees of the Company. The Code shall constitute written standards that are reasonably designed to promote integrity and deter wrongdoing. The Board is responsible for monitoring compliance with the Code. The Board is responsible for reviewing the Code annually to ensure relevance and update the Code accordingly to reflect new laws, rules, and regulations. Any waivers from the Code that are granted for the benefit of the Company's directors or executive officers must be approved by the Board.

### **5. REVIEW OF THE MANDATE**

The Board reviews and assesses the adequacy of this Mandate, from time to time, and shall make such changes to this Mandate as it considers necessary or appropriate.

*This Board Mandate was reviewed by the Corporate Governance and Nominating Committee and approved by the Board of Directors on July 25, 2024.*