

CLIMBING ESCALADE CANADA
(the “Corporation”)

BOARD MANDATE

Purpose

1. The primary function of the directors (individually, a “**Director**” and collectively, the “**Board**”) of the Corporation is to supervise the management of the business and affairs of the Corporation. Management is responsible for the day-to-day conduct of the business of the Corporation. The fundamental objectives of the Board are to enhance and preserve long-term value for its members and the climbing community by leading, promoting and developing competition climbing in Canada and to ensure that the Corporation conducts business in an ethical and safe manner. In performing its functions, the Board should consider the legitimate interests that stakeholders, such as employees, athletes and communities, may have in the Corporation. In carrying out its stewardship responsibility, the Board, through the Corporation's Executive Director, should set the standards of conduct for the Corporation.

Procedure and Organization

2. The Board operates by delegating certain responsibilities and duties set out below to management or committees of the Board and by reserving certain responsibilities and duties for the Board. The Board retains the responsibility for managing its affairs, including selecting its chair (the “**Chair of the Board**”) and constituting committees of the Board. The Board expects that a majority of the members of the Board shall be independent. If the Board selects a non-independent Director to serve as the Chair of the Board, it shall also select an independent Director to serve as the independent lead Director (the “**Lead Director**”). In this mandate, the term "independent" includes the meanings given to similar terms by applicable governing legislation, including the terms "non-executive", "outside" and "unrelated" to the extent such terms are applicable under applicable governing legislation. The Board shall assess, on an annual basis, the adequacy of this mandate.

Responsibilities and Duties

3. The principal responsibilities and duties of the Board fall into a number of categories, which are summarized below.
4. Legal Requirements:
 - (a) The Board has the overall responsibility to ensure that applicable legal requirements are complied with and documents and records have been properly prepared, approved and maintained.
 - (b) The Board has the statutory responsibility to, among other things:
 - (i) manage, or supervise the management of, the business and affairs of the Corporation;
 - (ii) act honestly and in good faith with a view to the best interests of the Corporation;
 - (iii) declare conflicts of interest, whether real or perceived;

- (iv) exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances; and
 - (v) act in accordance with the obligations contained in the *Canada Not for Profit Corporations Act* (the “Act”), the regulations under the Act, the articles of the Corporation, and other applicable legislation and regulations.
- (c) The Board has the responsibility for considering the following matters as a Board, which may not be delegated to management or to a committee of the Board:
- (i) any submission to the members of any question or matter requiring the approval of the members;
 - (ii) the filling of a vacancy among the directors or in the office of auditor, the appointment of any additional directors and the appointment or removal of any of the Executive Director, or the Chair of the Board;
 - (iii) the approval of an amendment to the memorandum or articles of the Corporation;
 - (iv) the approval of annual financial statements of the Corporation; and
 - (v) any other matter which is required under the Applicable Governance Rules or applicable corporate laws to be decided by the Board as a whole.
- (d) In addition to those matters which at law cannot be delegated, the Board must consider and approve all major decisions affecting the Corporation, including all material acquisitions and dispositions, material capital expenditures, and material debt financings.

5. Strategy Development

- (a) The Board has the responsibility to ensure that there are long-term goals and a strategic planning process in place for the Corporation and to participate with management directly or through committees in developing and approving the strategy by which the Corporation proposes to achieve these goals (taking into account, among other things, the opportunities and risks of the business of the Corporation), on an annual basis.

6. Risk Management

- (a) The Board has the responsibility to safeguard the assets and business of the Corporation, identify and understand the principal risks of the business of the Corporation and to ensure that there are appropriate systems in place which effectively monitor and manage those risks with a view to the long-term viability of the Corporation.

7. Appointment, Training and Monitoring Senior Management

- (a) The Board has the responsibility to:
 - (i) appoint the Executive Director, and together with the Executive Director, to develop a position description for the Executive Director;
 - (ii) with the advice of the Corporate Governance Committee, develop corporate goals and objectives that the Executive Director is responsible for meeting and to

monitor and assess the performance of the Executive Director in light of those corporate goals and objectives and to determine the compensation of the Executive Director;

- (iii) provide advice and counsel to the Executive Director in the execution of the duties of the Executive Director;
- (iv) develop, to the extent considered appropriate, position descriptions for the Chair of the Board and the chair of each committee of the Board;
- (v) approve the appointment of all corporate officers;
- (vi) consider, and if considered appropriate, approve, upon the recommendation of the Compensation and Nominating Committee and the Executive Director, the remuneration of all corporate officers; and
- (vii) ensure that adequate provision has been made to train and develop management and members of the Board and for the orderly succession of management, including the Executive Director.

8. Ensuring Integrity of Management

- (a) The Board has the responsibility, to the extent considered appropriate, to satisfy itself as to the integrity of the Executive Director and other officers of the Corporation and to ensure that the Executive Director and such other officers are creating a culture of integrity throughout the Corporation.

9. Policies, Procedures and Compliance

- (a) The Board is responsible for the oversight and review of the following matters and may rely on management of the Corporation to the extent appropriate in connection with addressing such matters:
 - (i) ensuring that the Corporation operates at all times within applicable laws and regulations and to appropriate ethical and moral standards;
 - (ii) approving and monitoring compliance with significant policies and procedures by which the business of the Corporation is conducted;
 - (iii) ensuring that the Corporation sets appropriate environmental standards for its operations and operates in material compliance with environmental laws and legislation;
 - (iv) ensuring that the Corporation has a high regard for the health and safety of athletes and its employees in the workplace and has in place appropriate programs and policies relating to health and safety;
 - (v) developing the approach of the Corporation to corporate governance, including to the extent appropriate developing a set of governance principles and guidelines that are specifically applicable to the Corporation; and

- (vi) examining the corporate governance practices within the Corporation and altering such practices when circumstances warrant.

10. Reporting and Communication

- (a) The Board is responsible for the oversight and review of the following matters and may rely on management of the Corporation to the extent appropriate in connection with addressing such matters:
 - (i) ensuring that the Corporation has in place policies and programs to enable the Corporation to communicate effectively with management, members, other stakeholders and the public generally;
 - (ii) ensuring that the financial results of the Corporation are adequately reported to members on a timely and regular basis;
 - (iii) ensuring that the financial results are reported fairly and in accordance with applicable generally accepted accounting standards;
 - (iv) ensuring the timely and accurate reporting of any developments that could have a significant and material impact on the Corporation; and
 - (v) reporting annually to the members, of the Corporation on the affairs of the Corporation for the preceding year.

11. Monitoring and Acting

- (a) The Board is responsible for the oversight and review of the following matters and may rely on management of the Corporation to the extent appropriate in connection with addressing such matters:
 - (i) monitoring the Corporation's progress in achieving its goals and objectives and, if necessary, revising and altering, through management, the direction of the Corporation in response to changing circumstances;
 - (ii) considering taking action when performance falls short of the goals and objectives of the Corporation or when other special circumstances warrant;
 - (iii) reviewing and approving material transactions involving the Corporation;
 - (iv) ensuring that the Corporation has implemented adequate internal control and management information systems;
 - (v) assessing the individual performance of each Director and the collective performance of the Board; and
 - (vi) overseeing the size and composition of the Board as a whole to facilitate more effective decision-making by the Corporation.

Board's Expectations of Management

12. The Board expects each member of management to perform such duties, as may be reasonably assigned by the Board from time to time, faithfully, diligently, to the best of his or her ability and in the best interests of the Corporation. Each member of management is expected to devote substantially all of his or her business time and efforts to the performance of such duties. Management is expected to act in compliance with and to ensure that the Corporation is in compliance with all laws, rules and regulations applicable to the Corporation.

Responsibilities and Expectations of Directors

The responsibilities and expectations of each Director are as follows:

13. Commitment and Attendance

- (a) All Directors should make every effort to attend all meetings of the Board and meetings of committees of which they are members. Members may attend by telephone.

14. Participation in Meetings

- (a) Each Director should be sufficiently familiar with the business of the Corporation, including its financial position and capital structure and the risks and competition it faces, to actively and effectively participate in the deliberations of the Board and of each committee on which he or she is a member. Upon request, management should make appropriate personnel available to answer any questions a Director may have about any aspect of the business of the Corporation. Directors should also review the materials provided by management and the Corporation's advisors in advance of meetings of the Board and committees and should arrive prepared to discuss the matters presented.

15. Code of Business Conduct and Ethics

- (a) The Corporation has adopted a Code of Business Conduct and Ethics to deal with the business conduct of Directors and officers of the Corporation. Directors should be familiar with the provisions of the Code of Business Conduct and Ethics. Each Director should also strive to perform his or her duties in keeping with current and emerging corporate governance best practices for directors of publicly-traded corporations.

16. Other Directorships

- (a) The Corporation values the experience Directors bring from other boards on which they serve, but recognizes that those boards may also present demands on a Director's time and availability, and may also present conflicts issues. Directors should advise the chair of the Corporate Governance Committee before accepting any new membership on other boards of directors or any other affiliation with other businesses or governmental bodies which involve a significant commitment by the Director.

17. Contact with Management

- (a) All Directors may contact the Executive Director at any time to discuss any aspect of the business of the Corporation. Directors also have complete access to other members of management. The Board expects that there will be frequent opportunities for Directors to

meet with the Executive Director and other members of management in Board and committee meetings and in other formal or informal settings.

18. Confidentiality

- (a) The proceedings and deliberations of the Board and its committees are, and shall remain, confidential. Each Director should maintain the confidentiality of information received in connection with his or her services as a director of the Corporation.

19. Evaluating Board Performance

- (a) The Board, in conjunction with the Corporate Governance Committee, and each of the committees of the Board should conduct a self-evaluation at least annually to assess their effectiveness. In addition, the Corporate Governance Committee should periodically consider the mix of skills and experience that Directors bring to the Board and assess, on an ongoing basis, whether the Board has the necessary composition to perform its oversight function effectively.

Qualifications and Directors' Orientation

20. Directors should have the highest personal and professional ethics and values and be committed to advancing the interests of the Corporation. They should possess skills and competencies in areas that are relevant to the business of the Corporation. The Executive Director, the Chair of the Board and the Corporate Governance Committee are jointly responsible for the provision of an orientation program for new Directors to explain the Corporation's approach to corporate governance and the nature and operation of its business. The Executive Director is also responsible for generating continuing education opportunities for all Directors so that members of the Board may maintain and enhance their skills as Directors.

Meetings

21. The Board should meet on at least a quarterly basis and should hold additional meetings as required or appropriate to consider other matters. In addition, the Board should meet as it considers appropriate to consider strategic planning for the Corporation. Financial and other appropriate information should be made available to the Directors in advance of Board meetings. Attendance at each meeting of the Board should be recorded. Management may be asked to participate in any meeting of the Board, provided that the Executive Director must not be present during deliberations or voting regarding his or her compensation.
22. Independent directors should meet separately from non-independent directors and management at least twice per year in conjunction with regularly scheduled Board meetings, and at such other times as the independent directors consider appropriate to ensure that the Board functions in an independent manner.

Committees

23. The Board has established an Audit Committee, Corporate Governance Committee, Compensation Committee and Nominating Committee to assist the Board in discharging its responsibilities. Special committees of the Board may be established from time to time to assist the Board in connection with specific matters. The chair of each committee should report to the Board following

meetings of the committee. The charter of each standing committee should be reviewed annually by the Board.

Evaluation

24. Each Director will be subject to an annual evaluation of his or her individual performance. The collective performance of the Board and of each committee of the Board will also be subject to annual review. Directors should be encouraged to exercise their duties and responsibilities in a manner that is consistent with this mandate and with the best interests of the Corporation and its shareholders generally.

Resources

25. The Board has the authority to retain independent legal, accounting and other consultants. The Board may request any officer or employee of the Corporation or outside counsel or the external/internal auditors to attend a meeting of the Board or to meet with any member of, or consultant to, the Board.
26. Directors are permitted to engage an outside legal or other adviser at the expense of the Corporation where for example he or she is placed in a conflict position through activities of the Corporation, but any such engagement shall be subject to the prior approval of the Corporate Governance Committee.

Approved and adopted by the Board on the ___ day of _____, 2019.

CLIMBING ESCALADE CANADA
(the “Corporation”)

BOARD EXECUTIVE CHAIR POSITION DESCRIPTION

Appointment

1. The Chair of the board of directors of the Corporation (the “**Board**”) will be appointed, serve and be removed at the pleasure of the Board.

Duties of the Board Chair

2. In addition to fulfilling his or her duties as an individual director, the duties of the Chair are to:
 - (a) serve as the Board’s role model for responsible, ethical and effective decision making;
 - (b) provide leadership to the independent directors by organizing the Board to function independently of and meet without management and non-independent directors present;
 - (c) manage the affairs of the Board to ensure that the Board is organized properly and functions effectively;
 - (d) take reasonable steps to ensure that the members of Board execute their duties pursuant to the Board Mandate;
 - (e) preside at, call and schedule each meeting of the Board;
 - (f) preside at meetings of the members and ensure that member materials are distributed;
 - (g) coordinate with management and the Corporate Secretary to ensure that:
 - (i) documents are delivered to directors in sufficient time in advance of Board meetings for a thorough review;
 - (ii) matters are properly presented for the Board’s consideration at meetings;
 - (iii) the Board has an appropriate opportunity to discuss issues at each meeting; and
 - (iv) the Board has an appropriate opportunity to question executive officers, management, employees, external auditors, experts and advisors regarding any and all matters of importance to the Board and the Corporation;
 - (h) communicate with each Board member to ensure that:
 - (i) each director has the opportunity to be heard and participate in decision making; and
 - (ii) each director is accountable to the Board and to each Committee on which he or she serves;

- (i) arrange with the Corporate Secretary for the preparation, accuracy and distribution of all minutes of the Board;
- (j) ensure that each Committee of the Board, following their meetings:
 - (i) reports to the Board regarding their activities, findings and recommendations; and
 - (ii) makes Committee information available to any director upon request; and
- (k) assist in maintaining effective working relationships between Board members, the Executive Director, external auditors, experts, advisors, executive officers and management.

Approved and adopted by the Board on the ___ day of _____, 2019

CLIMBING ESCALADE CANADA
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EXECUTIVE DIRECTOR POSITION DESCRIPTION

Appointment

1. The Executive Director will be appointed, serve and be removed at the pleasure of the board of directors of the Corporation (the “**Board**”).

Primary Duties of the Executive Director

2. The duties of the Executive Director are to:
 - (a) serve as the Corporation’s role model for responsible, ethical and effective decision making;
 - (b) provide the Corporation with executive leadership and operational management;
 - (c) with respect to strategic leadership:
 - (i) formulate the Corporation’s strategic plan;
 - (ii) present the Corporation’s goals and strategic plan to the Board for their approval;
 - (iii) update the Board regarding the Corporation’s progress in reaching the approved goals and deploying the approved strategic plan;
 - (iv) implement capital and operating plans to support the strategic plan;
 - (v) update the Board regarding operational and financial matters relevant to the Corporation;
 - (vi) advise the Board of the Corporation’s resources, industry and regulatory constraints and opportunities; and
 - (vii) identify the risks of the strategy and suggest systems to manage such risks;
 - (d) with respect to financial leadership:
 - (i) propose capital commitment and expenditure budgets for approval by the Board;
 - (ii) develop operating forecasts for revenues, expenditures, operational results and financial performance;
 - (iii) authorize the commitment of funds and corporate resources to fulfilling contracts, transactions and arrangements in the ordinary course of business and as approved by the Board; and
 - (iv) take reasonable steps to ensure that the Corporation’s assets are safeguarded and optimized in the best interests of members;

- (e) with respect to administrative leadership:
 - (i) develop and maintain an effective organizational structure;
 - (ii) establish clear responsibilities for individuals within the organizational structure; and
 - (iii) establish a succession plan for executive management;
- (f) with respect to governance leadership take reasonable steps to:
 - (i) ensure that the Corporation, officers and management are practicing responsible, ethical and effective decision making;
 - (ii) ensure that the Corporation, officers, and management are promoting a corporate culture that promotes ethical practices, integrity, accountability and social responsibility;
 - (iii) establish effective control mechanisms for the Corporation's operations to ensure the integrity of the Corporation's internal control and management information systems; and
 - (iv) ensure that all operations and activities of the Corporation are conducted in compliance with applicable laws, regulations, exchange requirements, governance documents approved by the Board, policies, the Code of Business Conduct and Ethics and sound business practices;
- (g) with respect to public leadership, act as the principal spokesperson for the Corporation and oversee interactions between the Corporation, the public, investors, regulators and the media; and
- (h) with respect to management, and with the assistance of the Board:
 - (i) delineate management's responsibilities; and
 - (ii) annually determine the goals and objectives to be made by management in the performance of their duties.

Approved and adopted by the Board on the ___ day of _____, 2019

CLIMBING ESCALADE CANADA
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CODE OF ETHICS AND BUSINESS CONDUCT

Purpose

1. This code of ethics and business conduct (this “**Code**”) provides a general statement of the Corporation’s expectations regarding the ethical standards that each director, officer and employee should adhere to while acting on behalf of the Corporation. “Employees” of the Corporation include permanent, contract and temporary employees, and include independent contractors who are engaged in an employee-like capacity of the Corporation. Each director, officer and employee is expected to read and become familiar with the ethical standards described in this Code and may be required, from time to time, to affirm his or her agreement to adhere to such standards.
2. Through this Code, we endorse the following principles:
 - (a) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - (b) full, fair, accurate, timely and understandable disclosure in the Corporation’s reports and in all public communications of the Corporation;
 - (c) compliance with applicable governmental laws, rules and regulations; and
 - (d) accountability by all of our directors, officers and employees for adherence to this Code.
3. This Code outlines the broad principles of legal and ethical business conduct embraced by our Corporation. It is not a complete list of legal or ethical questions a director, officer or employee might face in the course of business, and therefore this Code must be applied using common sense and good judgment. Compliance with the spirit as well as the letter of this Code is very important to us.
4. Any director, officer or employee of the Corporation who violates the Code may face disciplinary action up to and including termination of their office or employment with the Corporation for just cause without notice or payment in lieu of notice or immediate termination of a services contract. Each such individual is expected to review the Code annually to satisfy themselves that they have adhered to the stated principles and standards. Each director, officer and employee of the Corporation will be provided with a copy of the Code and will be required to acknowledge, through their signature, their understanding of and their agreement to comply with the Code as a term of their office or employment.

Administration

5. The board of directors of the Corporation (the “**Board**”) is responsible for setting the standards of business conduct contained in this Code and updating these standards as it deems appropriate to reflect changes in the legal and regulatory framework applicable to the Corporation, the business practices within the Corporation’s industry, the Corporation’s own business practices, and the prevailing ethical standards of the communities in which the Corporation operates. While the Corporation’s Executive Director and Chief Financial Officer will oversee the procedures designed to implement this Code to ensure that they are operating effectively, it is the individual

responsibility of each director, officer and employee of the Corporation to comply with this Code. Those who violate this Code will be subject to disciplinary action.

Compliance with Laws, Rules and Regulations

6. Obeying the law, both in letter and in spirit, is the foundation on which the Corporation's ethical standards are built. All directors, officers and employees must respect and obey the laws and governmental rules and regulations of the countries, provinces, cities and local communities in which we operate. Specifically, all directors, officers, employees, consultants and contractors are to act in strict compliance with all laws and regulations applicable to the Corporation's business and shall not engage in any activities in relation to cannabis other than as permitted by licenses held by the Corporation, or under which the Corporation is operating, from time to time. Although we do not expect that all directors, officers and employees will know and understand the details of all of these applicable laws and regulations, we do expect that everyone will know enough to determine when to seek advice from supervisors, managers or other appropriate personnel.
7. The Corporation is engaged in a variety of business relationships with other companies, individuals, organizations and levels of government, primarily in Canada, but sometimes also in other countries. In all interactions, directors, officers and employees of the Corporation are required to act ethically, honestly and with integrity and to comply with all laws, rules and regulations governing their activities.

Gifts and Entertainment

8. Directors, officers and employees may give and receive reasonable gifts with a monetary value to a maximum of \$500 and participate as hosts and guests in entertainment provided:
 - (a) there is no requirement or appearance of impropriety or obligation; and
 - (b) the gift or entertainment does not violate the law, standards of business conduct or this Code.
9. Any gifts given or received with a monetary value in excess of \$500 shall be approved by any one of the Executive Director or Chief Financial Officer. Any such gifts may result in a taxable benefit to the recipient and, in such case, the recipient shall be solely responsible for the payment of any taxes or charges that become payable as a result of having received the gift.
10. Directors, officers and employees shall not give, offer or agree to give or offer a loan, reward, advantage or benefit of any kind to a foreign public official (as defined in the *Corruption of Foreign Public Officials Act*) or to any person for the benefit of a foreign public official, except in compliance with the *Corruption of Foreign Public Officials Act* and if such payments are not prohibited by local law.

Conflicts of Interest; Corporate Opportunities

Director and Officer Conflicts of Interest

11. Each director and officer who has a material interest of any kind in any existing or proposed transaction or agreement with the Corporation is required to abide by the disclosure requirements set out in section 141 of the *Canada Not-for-Profit Corporations Act* (the "CNFPCA") including by taking the following steps:

- (a) disclosing the nature and extent of his or her interest to the Board at the meeting at which a proposed contract or transaction in which the director or officer has an interest is first considered or at the first meeting after the director or officer becomes interested;
- (b) upon the request of the Board upon its being advised of the conflict, excusing him or herself from all Board or Committee deliberations in respect of the existing or proposed transaction or agreement;
- (c) abstaining from voting in respect of the existing or proposed transaction or agreement in which the director or officer has a material interest; and
- (d) abiding by all of the requirements set out in section 141 of the CNFPCA.

Employee Conflicts of Interest

- 12. Employees of the Corporation while providing services to the Corporation are not permitted to take steps contrary to the best interests of the Corporation and may not:
 - (a) use the Corporation's property for his or her own material benefit;
 - (b) influence the Corporation's contractors, consultants or advisors for his or her personal gain;
 - (c) personally act on business opportunities presented to the Corporation; or
 - (d) own more than a 5% interest in any entity that sells, supplies, furnishes, services or otherwise engages in business with the Corporation without first advising the Chair of the Board and obtaining the approval of the Board;
- 13. During hours dedicated to the Corporation, officers and employees are required to devote their full time and attention to the Corporation and no outside activities, business or secondary employment is permitted during business hours.
- 14. Prior to acknowledging compliance with the Code, and at any time when a conflict arises, officers and employees are required to report in writing their existing or potential conflicts of interest to the Chair of the Board.

Confidentiality; Protection and Proper Use of the Corporation's Assets

- 15. Directors, officers and employees shall maintain the confidentiality of all information entrusted to them by the Corporation or its suppliers, customers or other business partners, except when disclosure is authorized by the Corporation or legally required.
- 16. Confidential information includes: (1) information marked "Confidential," "Private," "For Internal Use Only," or similar legends; (2) technical or scientific information relating to current and future products, services or research; (3) business or marketing plans or projections; (4) earnings and other internal financial data; (5) personnel information; (6) supply and customer lists; and (7) other non-public information that, if disclosed, might be of use to the Corporation's competitors, or harmful to the Corporation or its suppliers, customers or other business partners. Confidential information also includes information that our customers and suppliers have entrusted to us.

17. To avoid inadvertent disclosure of confidential information, directors, officers and employees shall not discuss confidential information with or in the presence of any unauthorized persons, including family members and friends.
18. The obligation to preserve confidential information continues even after your employment or other relationship with the Corporation ends.
19. This Code is not intended to modify any separate confidentiality agreement to which a director, officer or employee may be subject.
20. Proper use of all of the Corporation's property, information resources (including internet, email, and intranet) and communications systems is the responsibility of all employees. Our physical assets are intended for conducting Corporation business. All electronic and telephonic communication products, intranet and internet servers or any other systems owned, licensed or operated by the Corporation are considered the Corporation's business records, and therefore, Corporation property and should be used in accordance with Corporation corporate policy.
21. The information, ideas, concepts and know-how described, documented or contained in the Corporation's electronic communications systems and related databases are the intellectual property of the Corporation. The copying or use of the Corporation's intellectual property for personal use or benefit during or after employment with the Corporation is prohibited.
22. Proprietary information including intellectual property and corporate private or confidential information is extremely valuable and must not be disclosed to anyone without proper authorization.

Fair Dealing

23. The Corporation is committed to promoting the values of honesty, integrity and fairness in the conduct of its business and sustaining a work environment that fosters mutual respect, openness and individual integrity. Directors, officers and employees are expected to deal honestly and fairly with the Corporation's customers, suppliers, competitors and other third parties, including governmental agencies. To this end, directors, officers and employees shall not:
 - (a) make false or misleading statements to customers, suppliers or other third parties;
 - (b) solicit or accept from any person that does business with the Corporation, or offer to extend to any such person:
 - (i) cash of any amount; or
 - (ii) gifts, gratuities, meals or entertainment that could influence or reasonably give the appearance in influencing the Corporation's business relationship with that person or go beyond common courtesies usually associated with accepted business practice;
 - (c) solicit or accept any fee, commission or other compensation for referring customers to third-party vendors; or

- (d) otherwise take unfair advantage of the Corporation's customers or suppliers, or other third parties, through manipulation, concealment, abuse of privileged information or any other unfair-dealing practice.

Discrimination and Harassment

- 24. The Corporation is committed to providing equal employment opportunity in employment and will not tolerate any illegal discrimination or harassment. Improper conduct, such as derogatory comments based on racial or ethnic characteristics or religious preferences and unwanted sexual advances, will not be tolerated.

Health and Safety

- 25. The Corporation strives to provide each of its employees with a safe and healthy workplace. Each employee has responsibility for maintaining a safe and healthy workplace for other employees by following health and safety rules and practices instituted by the Corporation and by reporting accidents, injuries and unsafe equipment, practices or conditions.
- 26. Violence and threatening behavior are not permitted. Employees should report to work in condition to perform their duties, free from the influence of drugs or alcohol. The use of drugs or alcohol in the workplace will not be tolerated. For the purposes of this policy, "drugs" means any substance, including recreational cannabis, illegal drugs and medications, the use of which could alter impair or affect a person's thinking, behaviour or actions or otherwise interfere with an employee's ability/fitness to perform their duties and discharge their responsibilities in a safe and acceptable manner. "Illegal drugs" means any regulated substance, the possession, cultivation or trafficking of which is illegal under applicable legislation, and "medications" means any medication obtained: (i) in an over-the-counter sale, (ii) by an employee pursuant to the prescription issued by a physician or (iii) by an authorization from Health Canada, and includes medical cannabis.

Record Keeping

- 27. The Corporation requires honest and accurate recording and reporting of information in order to make responsible business decisions.
- 28. All of the Corporation's books, records, accounts and financial statements must be maintained in reasonable detail and must conform both to applicable legal requirements and to the Corporation's system of internal controls.
- 29. Business records and communications often become public, and we should avoid exaggeration, derogatory remarks and other inappropriate statements about people and other companies. This applies to e-mail, internal memos and formal reports. Records should always be retained or destroyed in accordance with the Corporation's record retention policies. No person shall knowingly alter, destroy or make a false entry in any record with the intent to obstruct a government investigation or bankruptcy case. Directors, officers or employees may report any concerns regarding questionable accounting and auditing matters confidentially and anonymously to the Chief Financial Officer or any member of the Audit Committee.

Accurate and Timely Periodic Reports

30. The Corporation is committed to providing members with full, fair, accurate, timely and understandable disclosure in the periodic reports that it is required to disclose. To this end, the Corporation shall:
- (a) comply with generally accepted accounting principles at all times;
 - (b) maintain a system of internal accounting controls that will provide reasonable assurances to management that all transactions are properly recorded;
 - (c) maintain books and records that accurately and fairly reflect the Corporation's transactions;
 - (d) prohibit the establishment of any undisclosed or unrecorded funds or assets;
 - (e) maintain a system of internal controls that will provide reasonable assurances to management that material information about the Corporation is made known to management; and
 - (f) present information in a clear and orderly manner and avoid the use of legal and financial jargon in the Corporation's periodic reports.

Political Contributions

31. No corporate assets, including employees' work time, use of the Corporation's facilities or equipment or direct monetary payment, may be contributed to any political candidate, party, political action committee or ballot measure without the permission of the Board. This does not preclude individuals from participating in any political activities of their choice on an individual basis, with their own money and on their own time.

Reporting and Effect of Violations

General Policy

32. Directors officers and employees are encouraged to report any conduct which they believe in good faith to be violation or apparent violation of this Code. If you believe a violation has occurred, please contact the Corporation's Chief Financial Officer or the Chair of the Board.
33. The Corporation will not allow any retaliation against a director, officer or employee who acts in good faith in reporting any such violation.

Complaint Procedure

34. Corporation personnel who observe, learn of or, in good faith, suspect a violation of the Code must promptly report the violation or discuss issues and concerns of the type covered by this Code with his or her immediate manager, who in turn is responsible for informing the Chief Financial Officer or Chair of the Board of any violations or concerns raised. If an employee prefers not to report the matter to his or her own manager, the employee may instead report the matter directly to the Chief Financial Officer or Chair of the Board.
35. Corporation personnel who have concerns such as accounting discrepancies, fraud, accounting misrepresentations, auditing matters, accounting omissions, ethics violations or any other

CLIMBING ESCALADE CANADA
(the “Corporation”)

NOMINATING COMMITTEE MANDATE

Purpose

1. The purpose of the Nominating Committee (the “**Nominating Committee**”) of the board of directors of the Corporation (the “**Board**”) is to assist the Board in carrying out its oversight responsibility for:
 - (a) identifying individual candidates qualified to become Board members;
 - (b) selecting or recommending that the Board select director nominees for the next annual meeting of shareholders and determining the composition of the board and its committees;
 - (c) arranging for orientation and continuing education for Board members.

Duties

2. The duties of the Nominating Committee are to:
 - (a) annually review the composition, skills, size and tenure of directors in advance of annual general meetings and whenever individual directors indicate that their status as members may change;
 - (b) identify qualified candidates, taking into account candidates’ independence, financial acumen, skills and time available to devote to the duties of the Board;
 - (c) assess the competencies and skills each director possesses, the Board as a whole possesses, the nominees will bring the Board if elected and the Board as a whole should possess;
 - (d) assess the appropriate size of the Board with a view to facilitating effective decision making;
 - (e) advise directors of the time and resources directors are expected to contribute to the Board;
 - (f) recommend nominees for election as directors and appointment as members and the Chair of Committees together with the reasons for their recommendations;
 - (g) co-ordinate an orientation program for new directors to include:
 - (i) a director manual regarding the duties of the Board, individual directors, each Committee, the Board Chair, the Lead Director, the Chair of each Committee, the Executive Director, the Chief Financial Officer and other executive officers of the Corporation;
 - (ii) information regarding the nature and operation of the Corporation’s business and organizational structure; and
 - (iii) copies of the Board and Committee Mandates, position descriptions, the Code of Business Conduct and Ethics and other governance policies;
 - (h) arrange for the directors to receive:

- (i) distributions of updated information regarding the Corporation's business;
 - (ii) presentations as appropriate to advise of corporate developments, changes in industry conditions and changes in legal and regulatory requirements affecting the Corporation; and
 - (iii) tours of the Corporation's facilities to interact with executive officers, management and employees in order to stay abreast of industry developments and the evolving business of the Corporation; and
- (i) recommend the removal of directors from Committees and the Board in the event of conflicts of interest, breach of the Code of Business of Conduct and Ethics or otherwise.

Composition

3. All of the members of the Nominating Committee will, at all times, be independent of the Corporation within the meaning of applicable laws, rules, policies, guidelines and requirements as determined by the Board and will possess the qualifications required by the Board for the discharge of the duties of the Nominating Committee.
4. Members of the Nominating Committee shall be appointed from time to time to hold office at the pleasure of the Board.

Committee Chair

5. The Board shall appoint a Chair for the Nominating Committee (the "**Chair**"). A description of the duties and responsibilities of the Chair are included in Schedule A.
6. If the Chair of the Nominating Committee is not present at any meeting of the Nominating Committee, one of the other members of the Nominating Committee who is present at the meeting shall be chosen by the Nominating Committee to preside at the meeting.

Meetings

7. The Nominating Committee is responsible to meet as often as required to discharge its duties.
8. The Chair of the Nominating Committee will, in consultation with the members, determine the schedule, time and place of meetings.
9. A quorum for a meeting of the Nominating Committee shall be a majority of members present.
10. Notice of the time and place of every meeting shall be given in writing (including by way of written email or facsimile communication) to each member of the Nominating Committee at least 24 hours prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting; and attendance of a member at a meeting constitutes a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
11. A member or members of the Committee may participate in a meeting of the Committee by means of such telephonic, electronic or other communication facilities as permits all persons participating in the meeting to communicate with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.

12. At the invitation of the Chair of the Nominating Committee, one or more officers of the Corporation may attend any meeting of the Nominating Committee.

Procedures, Records and Reporting

13. Subject to any statute or articles and by-laws of the Corporation, the Nominating Committee shall fix its own procedures at meetings, keep records of its proceedings and report to the Board when the Nominating Committee may deem appropriate (but not later than the next meeting of the Board). The minutes of its meetings shall be distributed to all members of the Board. All Directors shall be provided with access to any materials distributed to members of the Nominating Committee.

Delegation

14. The Nominating Committee may delegate, from time to time, to any individuals or sub-committees of the Nominating Committee, any of the Nominating Committee's responsibilities that lawfully may be delegated.

Materials

15. The Nominating Committee has access to all books, records, facilities and personnel of the Corporation necessary for the discharge of its duties.

Governance

16. The Nominating Committee is responsible to annually review, and in its discretion make recommendations to the Board regarding confirmation of or changes to be made to its Mandate and the position description of its Chair (a copy of which is attached hereto as Schedule "A").

Advisors

17. The Nominating Committee has the power, at the expense of the Corporation, to retain, instruct, compensate and terminate independent advisors to assist the Nominating Committee in the discharge of its duties.

Approved and adopted by the Board on the ____ day of _____, 2019

SCHEDULE "A"**NOMINATING COMMITTEE CHAIR POSITION DESCRIPTION****Appointment**

1. The Chair of the Nominating Committee (the "**Nominating Committee**") of the board of directors of the Corporation (the "**Board**") will be appointed, serve and be removed at the pleasure of the Board.

Duties of the Nominating Committee Chair

2. In addition to fulfilling his or her duties as an individual director, the duties of the Nominating Committee Chair are to:
 - (a) serve as the Nominating Committee's role model for responsible, ethical and effective decision making;
 - (b) lead the Nominating Committee in discharging all duties set out in the Nominating Committee Mandate and as are delegated to the authority of the Nominating Committee by the Board;
 - (c) take reasonable steps to ensure that the Nominating Committee members execute their duties pursuant to their Mandate;
 - (d) manage the affairs of the Nominating Committee to ensure that the Nominating Committee is organized properly and functions effectively;
 - (e) preside at, and together with the members of the Nominating Committee and advisors, as appropriate, call, schedule and prepare the agenda for each meeting of the Nominating Committee;
 - (f) coordinate with the Corporate Secretary, management and advisors engaged by the Nominating Committee to ensure that:
 - (i) documents are delivered to members in sufficient time in advance of Nominating Committee meetings for a thorough review;
 - (ii) matters are properly presented for the Nominating Committee's consideration at meetings;
 - (iii) members have an appropriate opportunity to discuss issues at each meeting;
 - (iv) members have an appropriate opportunity to question management, employees and advisors regarding nominating issues and all other matters of importance to the Nominating Committee; and
 - (v) members work constructively towards their recommendations to the Board;
 - (g) communicate with each member of the Nominating Committee to ensure that:

- (i) each member has the opportunity to be heard and participate in decision making; and
 - (ii) each member is accountable to the Nominating Committee;
- (h) arrange for the preparation, accuracy and distribution of all minutes of the Nominating Committee to its members and each member of the Board, as appropriate;
- (i) ensure that the Nominating Committee, following each meeting:
 - (i) reports to the Board regarding its activities, findings and recommendations; and
 - (ii) makes Nominating Committee information available to any director upon request; and
- (j) assist in maintaining effective working relationships between Nominating Committee members, the Board, the Executive Director, advisors, the other executive officers and management.

CLIMBING ESCALADE CANADA
(the “Corporation”)

COMPENSATION COMMITTEE MANDATE

Purpose

1. The purpose of the Compensation Committee (the “**Compensation Committee**”) of the board of directors of the Corporation (the “**Board**”) is to recommend, review and approve corporate goals and objectives relevant to the Executive Director, Chief Financial Officer (if applicable) and director performance and evaluate performance to determine compensation.

Duties

2. The duties of the Compensation Committee are to:
 - (a) annually recommend objectives and performance criteria applicable to the Board, each director, the Board Chair, the Lead Director, the Chair of each Committee the Executive Director and the Chief Financial Officer (as applicable);
 - (b) annually arrange for an evaluation of the performance, contribution and effectiveness of the Board and Committees, individual directors, the Board Chair, the Lead Director, the Chair of each Committee, the Executive Director and the Chief Financial Officer (as applicable) in the context of the mandates, position descriptions, competencies and skills that each director is expected to bring to the Board by circulating:
 - (i) a Board questionnaire which asks directors to identify their own skills, their contributions to the Board and Committees, and rate their effectiveness;
 - (ii) a peer review questionnaire which asks directors to rate the contributions and effectiveness of their fellow Board members; and
 - (iii) a governance questionnaire which asks the directors to provide feedback on the Board and Committee Mandates, position descriptions, Code of Business Conduct and Ethics and other policies;
 - (c) prepare and distribute a report to the Board regarding annual evaluations to initiate discussion regarding how to improve the performance, contribution and effectiveness of the Board, each Committee, each director and the Executive Director;
 - (d) make recommendations to the Board regarding the amount and form of compensation to award to directors, the Board Chair, the Lead Director and the Chair of each Committee;
 - (e) make recommendations to the independent members of the Board regarding the amount and form of compensation to award the Executive Director and the Chief Financial Officer;
 - (f) review and make recommendations to the Board regarding proposals for the compensation of executive officers and management, including salary, bonus, perquisites, retirement allowances and all other forms of proposed compensation;
 - (g) review and make recommendations regarding all incentive-based compensation plans;
 - (h) review and make recommendations regarding employee benefit and retirement plans; and

- (i) in making all compensation recommendations take into consideration:
 - (i) the duties of each individual, his or her past service and continuing responsibilities;
 - (ii) the position or job description of individuals, their short and long-term objectives, goals and performance measurement indicators;
 - (iii) the Corporation's performance; and
 - (iv) the form and amount of compensation awarded by comparable organizations.

Composition

- 3. The members of the Compensation Committee will, if possible, be independent of the Corporation within the meaning of applicable laws, rules, policies, guidelines and requirements as determined by the Board.
- 4. Members of the Compensation Committee shall be appointed from time to time to hold office at the pleasure of the Board.

Committee Chair

- 5. The Board shall appoint a Chair for the Compensation Committee. A description of the duties and responsibilities of the Chair are included in Schedule A.
- 6. If the Chair of the Compensation Committee is not present at any meeting of the Compensation Committee, one of the other members of the Compensation Committee who is present at the meeting shall be chosen by the Compensation Committee to preside at the meeting.

Meetings

- 7. The Compensation Committee is responsible to meet as often as required to discharge its duties.
- 8. The Chair of the Compensation Committee will, in consultation with the members, determine the schedule, time and place of meetings.
- 9. A quorum for a meeting of the Compensation Committee shall be a majority of members present in person.
- 10. A member or members of the Committee may participate in meetings of the Committee by means of such telephonic, electronic or other communication facilities as permits all persons participating in the meeting to communicate with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.
- 11. Notice of the time and place of every meeting shall be given in writing (including by way of written email or facsimile communication) to each member of the Compensation Committee at least 24 hours prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting; and attendance of a member at a meeting constitutes a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
- 12. At the invitation of the Chair of the Compensation Committee, one or more officers of the Corporation may attend any meeting of the Compensation Committee.

Procedures, Records and Reporting

13. Subject to any statute or articles and by-laws of the Corporation, the Compensation Committee shall fix its own procedures at meetings, keep records of its proceedings and report to the Board when the Compensation Committee may deem appropriate (but not later than the next meeting of the Board). The minutes of its meetings shall be distributed to all members of the Board. All Directors shall be provided with access to any materials distributed to members of the Compensation Committee.

Delegation

14. The Compensation Committee may delegate, from time to time, to any individuals or sub-committees of the Compensation Committee, any of the Compensation Committee's responsibilities that lawfully may be delegated.

Materials

15. The Compensation Committee has access to all books, records, facilities and personnel of the Corporation necessary for the discharge of its duties.

Governance

16. The Compensation Committee is responsible to annually review, and in its discretion make recommendations to the Board regarding confirmation of or changes to be made to its Mandate and the position description of its Chair.

Advisors

17. The Compensation Committee has the power, at the expense of the Corporation, to retain, instruct, compensate and terminate independent advisors to assist the Compensation Committee in the discharge of its duties.

Approved and adopted by the Board on the ____ day of _____, 2019

SCHEDULE “A”

COMPENSATION COMMITTEE CHAIR POSITION DESCRIPTION

Appointment

1. The Chair of the Compensation Committee (the “**Compensation Committee**”) of the board of directors of the Corporation (the “**Board**”) will be appointed, serve and be removed at the pleasure of the Board.

Duties of the Compensation Committee Chair

2. In addition to fulfilling his or her duties as an individual director, the duties of the Compensation Committee Chair are to:
 - (a) serve as the Compensation Committee’s role model for responsible, ethical and effective decision making;
 - (b) lead the Compensation Committee in discharging all duties set out in the Compensation Committee Mandate and as are delegated to the authority of the Compensation Committee by the Board;
 - (c) take reasonable steps to ensure that the Compensation Committee members execute their duties pursuant to their Mandate;
 - (d) manage the affairs of the Compensation Committee to ensure that the Compensation Committee is organized properly and functions effectively;
 - (e) preside at, and together with the members of the Compensation Committee and advisors, as appropriate, call, schedule and prepare the agenda for each meeting of the Compensation Committee;
 - (f) coordinate with the Corporate Secretary, management and advisors engaged by the Compensation Committee to ensure that:
 - (i) documents are delivered to members in sufficient time in advance of Compensation Committee meetings for a thorough review;
 - (ii) matters are properly presented for the Compensation Committee’s consideration at meetings;
 - (iii) members have an appropriate opportunity to discuss issues at each meeting;
 - (iv) members have an appropriate opportunity to question management, employees and advisors regarding compensation issues and all other matters of importance to the Compensation Committee; and
 - (v) members work constructively towards their recommendations to the Board;
 - (g) communicate with each member of the Compensation Committee to ensure that:

- (i) each member has the opportunity to be heard and participate in decision making;
and
 - (ii) each member is accountable to the Compensation Committee;
- (h) arrange for the preparation, accuracy and distribution of all minutes of the Compensation Committee to its members and each member of the Board, as appropriate;
- (i) ensure that the Compensation Committee, following each meeting:
 - (i) reports to the Board regarding its activities, findings and recommendations; and
 - (ii) makes Compensation Committee information available to any director upon request; and
- (j) assist in maintaining effective working relationships between Compensation Committee members, the Board, the Executive Director, advisors, executive officers and management.

CLIMBING ESCALADE CANADA
(the “Corporation”)

CORPORATE GOVERNANCE COMMITTEE CHARTER

Policy Statement

1. It is the policy of the Corporation to establish and maintain a Corporate Governance Committee (the “**Committee**”) to assist the directors of the Corporation (individually a “**Director**” and collectively the “**Board**”) in carrying out the Board's oversight responsibility for (i) ensuring that the strategic direction of the Corporation is reviewed annually, (ii) ensuring that the Board and each of its committees carry out their respective functions in accordance with an appropriate process, and (iii) reviewing, developing and implementing the Corporation's corporate governance policies.
2. In carrying out its duties and responsibilities, the Committee shall have the authority to:
 - (a) meet with and seek any information it requires from employees, officers, directors, or external parties, such as the Corporation's external auditors;
 - (b) investigate any matter relating to the Corporation's nomination and corporate governance practices, or anything else within its scope of responsibility;
 - (c) obtain full access to all Corporation books, records, facilities and personnel; and
 - (d) at its sole discretion and at the Corporation's expense, retain and set the compensation for outside legal or other advisors, as necessary to assist in the performance of its duties and responsibilities.
3. The Corporation will provide appropriate funding, as determined by the Committee, for compensation to any advisors that the Committee chooses to engage and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

Composition of Committee

4. The Committee shall be established by a resolution of the Board. The Committee shall consist of a minimum of three Directors. The Board shall appoint the members of the Committee. The Board may appoint one member of the Committee to be the chair of the Committee (the “**Chair**”). A description of the duties and responsibilities of the Chair are included in Schedule A.
5. The Board expects that the majority of the members of the Committee be Directors who are independent. In this mandate, the term "independent" includes the meanings given to similar terms by applicable governing legislation, including the terms "non-executive", "outside" and "unrelated" to the extent such terms are applicable under applicable governing legislation.
6. If a matter that is considered by the Committee is one in which a member of the Committee, either directly or indirectly, has a personal interest, that member shall excuse himself or herself from any portion of a meeting at which such matter is discussed and shall not vote on such matter.
7. A Director appointed by the Board to the Committee shall be a member of the Committee until replaced by the Board or until his or her resignation.

Meetings of the Committee

8. The Committee shall convene a minimum of twice each year, at such time and place as may be determined by the Chair of the Committee, and whenever a meeting is requested by the Board, a member of the Committee or the Executive Director of the Corporation.
9. Notice of each meeting of the Committee shall be given to each member of the Committee, who shall each be entitled to attend each meeting of the Committee.
10. Notice of a meeting of the Committee shall:
 - (a) be in writing, which includes electronic communication facilities;
 - (b) state the nature of the business to be transacted at the meeting in reasonable detail;
 - (c) to the extent practicable, be accompanied by a copy of documentation to be considered at the meeting; and
 - (d) be given at least two business days prior to the time stipulated for the meeting or such shorter period as the members of the Committee may permit.
11. A quorum for the transaction of business at a meeting of the Committee shall consist of a majority of the members of the Committee. However, it shall be the practice of the Committee to require review and, if necessary, approval of fundamentally important matters by all members of the Committee.
12. A member or members of the Committee may participate in meetings of the Committee by means of such telephonic, electronic or other communication facilities as permits all persons participating in the meeting to communicate with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.
13. In the absence of the Chair of the Committee, the members of the Committee shall choose one of the members present to chair the meeting. In addition, the members of the Committee shall choose one of the persons present to be the secretary of the meeting.
14. Minutes shall be kept of all meetings of the Committee and shall be signed by the chair and the secretary of the meeting. The Chair of the Committee shall circulate the minutes of the meetings of the Committee to all members of the Board.

Corporate Governance-related Duties and Responsibilities of the Committee

15. In addition to such other duties as may from time to time be expressly assigned to the Committee by the Board, the Committee shall have the following responsibilities and duties:
 - (a) annually review and evaluate and make recommendations to the Board with regard to the size, composition and role of the Board and its committees (including the type of committees to be established) and the methods and processes by which the Board, committees and Directors fulfill their duties and responsibilities, including the methods and processes for evaluating Board, committee and Director effectiveness;

- (b) communicating with the Board on corporate governance matters and reviewing and approving, as required, public or regulatory disclosure respecting the corporate governance practices of the Corporation;
- (c) assist the Board, as required, in interpreting and applying the Code of Business Conduct and Ethics of the Corporation, corporate governance policies, Board and committee charters, and other matters of corporate governance;
- (d) review this charter at least annually and propose any changes that are deemed appropriate to the Board for consideration;
- (e) review and evaluate the Code of Business Conduct and Ethics, at least annually, and recommend any necessary or appropriate changes to the Board for consideration;
- (f) annually determine whether a Director is independent;
- (g) if applicable, report to the Board on the Committee's recommendations regarding shareholder proposals required by law to be included in the Corporation's proxy circular, as applicable;
- (h) make recommendations from time to time to the Board concerning such other matters, including matters related to corporate governance, as the Committee may deem appropriate or as may be referred to it from time to time by the Board;
- (i) at the earliest opportunity after each meeting, report to the Board the results of its activities and any reviews undertaken and make recommendations to the Board as deemed appropriate; and
- (j) keep up to date and fully informed about strategic issues and commercial and regulatory changes affecting the Corporation and the market in which it operates.

Approved and adopted by the Board on the ____ day of _____, 2019

SCHEDULE A

(Duties and Responsibilities of the Chair)

In addition to any duties and responsibilities set out in the mandate of the Board and this charter, the Chair will have the following duties and responsibilities:

- (a) chair meetings of the Committee;
- (b) in consultation with the Board Chair and the Corporate Secretary, determine the frequency, dates and locations of meetings of the Committee;
- (c) in consultation with the Executive Director, the Chief Financial Officer, the Corporate Secretary and others as required, review the annual work plan and the meeting agendas so as to bring all required business before the Committee;
- (d) in consultation with the Board Chair, ensure that all items requiring the Committee's approval are appropriately tabled;
- (e) report to the Board on the matters reviewed by, and on any decisions or recommendations of, the Committee at the next meeting of the Board following any meeting of the Committee; and
- (f) carry out any other or special assignments or any functions as may be requested by the Board.

CLIMBING ESCALADE CANADA
(the “Corporation”)

AUDIT COMMITTEE CHAIR POSITION DESCRIPTION

Appointment

1. The Chair of the audit committee (the “**Audit Committee**”) of the board of directors of the Corporation (the “**Board**”) will be appointed, serve and be removed at the pleasure of the Board.

Duties of the Audit Committee Chair

2. In addition to fulfilling his or her duties as an individual director, the duties of the Audit Committee Chair are to:
 - (a) serve as the Audit Committee’s role model for responsible, ethical and effective decision making;
 - (b) lead the Audit Committee in discharging all duties set out in the Audit Committee Charter and as are delegated to the authority of the Audit Committee by the Board;
 - (c) take reasonable steps to ensure that the Audit Committee members execute their duties pursuant to the Audit Committee Charter;
 - (d) manage the affairs of the Audit Committee to ensure that the Audit Committee is organized properly and functions effectively;
 - (e) ensure that notice of all meetings of the Audit Committee are provided to the external auditor;
 - (f) preside at, and together with the members of the Audit Committee, management, external auditors and advisors, as appropriate, call, schedule and prepare the agenda for each meeting of the Audit Committee;
 - (g) ensure that the Audit Committee meets in closed sessions with the external auditors;
 - (h) coordinate with the Chief Financial Officer, Corporate Secretary, management and the external auditors to ensure that:
 - (i) documents are delivered to members in sufficient time in advance of Audit Committee meetings for a thorough review;
 - (ii) matters are properly presented for the member’s consideration at meetings;
 - (iii) members have an appropriate opportunity to discuss issues at each meeting;
 - (iv) members have an appropriate opportunity to question management, employees and the external auditors regarding financial results, internal controls, the collection of financial information and all other matters of importance to the Audit Committee; and
 - (v) members work constructively towards their recommendations to the Board;

- (i) communicate with each Audit Committee member to ensure that:
 - (i) each member has the opportunity to be heard and participate in decision making; and
 - (ii) each member is accountable to the Audit Committee;
- (j) arrange for the preparation, accuracy and distribution of all minutes of the Audit Committee to:
 - (iii) members of the Audit Committee;
 - (iv) each member of the Board;
 - (v) the external auditor; and
 - (vi) the Executive Director and the Chief Financial Officer;
- (k) ensure that the Audit Committee, following each meeting:
 - (vii) reports to the Board regarding its activities, findings and recommendations; and
 - (viii) makes Audit Committee information available to any director upon request; and
- (l) assist in maintaining effective working relationships between Audit Committee members, the Board, the Executive Director and the Chief Financial Officer, external auditors, advisors, executive officers and management.

Approved and adopted by the Board on the ____ day of _____, 2019

**CLIMBING ESCALADE CANADA
(the “Corporation”)**

CONFLICT OF INTEREST POLICY

Conflicts of Interest

1. The Corporation’s personnel (“**Personnel**”) must act honestly and in good faith, with a view to the best interests of the Corporation. Personnel should avoid situations involving a conflict or the potential for a conflict between their personal interests and the interests of the Corporation. Personnel should avoid situations that could compromise the Corporation’s relationships or subject its reputation to unwarranted suspicion. When Personnel become aware of a conflict, they must notify management immediately, and handle in an ethical manner any direct or indirect conflict of interest.
2. The following are specific conflicts that may arise in the course of carrying out the Corporation’s business:

Outside Business Interests

3. Personnel are free to take on employment and other activities outside their work responsibilities with the Corporation. However, in doing so, Personnel must ensure that any “outside” activities do not present a real or perceived conflict with the interests of the Corporation or with their duties as Personnel.
4. Before publicly expressing views on matters that relate to the Corporation, Personnel should discuss the information with an executive officer of the Corporation. Personnel must not claim to speak on behalf of the Corporation without prior authorization.

Outside Directorships

5. Personnel are free to take on directorships, however, Personnel must be aware of any potential for conflicts with the interests of the Corporation.

Financial Interests in Suppliers, Contractors or Competitors

6. Any proposed affiliation between Personnel and any entity that has a relationship with the Corporation is subject to review by the Board’s Corporate Governance Committee.

Obtaining a Personal Loan or Guarantee from the Corporation

7. Personnel should not accept, whether directly or indirectly, any loan or guarantee of obligations from the Corporation for personal benefit.

Giving and Receiving Gifts

8. Personnel are prohibited from soliciting or receiving any gift, loan, reward or benefit in exchange for any decision, act or omission by any Personnel while carrying out their functions unless:
 - (a) it is not a cash gift;

- (b) it is consistent with customary business practices;
 - (c) it is not excessive in value;
 - (d) it does not violate any laws; and
 - (e) it does not violate any internal policy of the Corporation.
9. Similarly, Personnel should not try to influence the decisions of others by giving gifts. Examples of acceptable gifts, both to give and receive, include:
- (a) gifts that are promotional in nature (i.e., pens, golf shirts);
 - (b) gifts that are widely distributed to other Personnel, customers or suppliers;
 - (c) meals;
 - (d) local sporting or theatrical events;
 - (e) holiday gatherings and other celebrations; and
 - (f) reimbursement for reasonable expenses incurred in the course of business.
10. Directors and executive officers may occasionally give or receive small gifts as tokens of appreciation.

Approved and adopted by the Board on the ___ day of _____, 2019.

**CLIMBING ESCALADE CANADA
(the “Corporation”)**

RESPECT IN THE WORKPLACE POLICY

Commitment

1. The Corporation is committed to providing and maintaining a respectful workplace that is free from harassment, discrimination and abusive behavior and where all employees and contractors are treated with dignity and respect.
2. The Corporation will not tolerate harassment, discrimination or abusive behavior, and will not condone it in any way. The Corporation will diligently undertake corrective action in cases where harassment, discrimination or abusive behavior have occurred.

Purpose

3. The purpose of this policy is to ensure that:
 - (a) Individuals are aware and understand that acts of harassment and discrimination are considered serious offences and will not be tolerated by the Corporation.
 - (b) Those individuals subjected to acts of harassment or discrimination are aware of their rights and are encouraged to access assistance they may require pursuing a complaint.
 - (c) Individuals are advised of available recourse if they are subjected to, or become aware of situations involving harassment or discrimination.

Scope

4. This policy applies to employees, consultants and independent contractors of the Corporation. This policy applies to conduct that occurs at the workplace or during any other work-related activity, and additionally applies to employees, consultants and independent contractors of the Corporation that engage in the discrimination or harassment of customers or clients of the Corporation.

Discrimination

5. Discrimination is an unfair practice or behavior directed toward an individual or group of individuals, whether intentional or not, based on race, religious beliefs, colour, place of origin, ethnic origin, sex or sexual orientation, mental or physical disability, ancestry, marital status, and family status, or any other grounds prohibited by applicable human rights legislation (the “Enumerated Grounds”), and which has a negative effect on the individual or group.
6. Examples of discrimination in the workplace include any actions relating to the hiring, firing, promotion or other terms or conditions based on one or more of the Enumerated Grounds.

Harassment

7. Harassment occurs when an individual is subjected to unwelcome verbal or physical conduct based on one or more Enumerated Grounds.

8. Harassment may occur as a result of one incident or series of incidents. The unwelcome comment or conduct does not have to be directed at a specific person for harassment to occur. Comments or conduct that tend to ridicule or despair an individual or a group of individuals may give rise to an offensive workplace and work environment and therefore may constitute harassment.
9. Examples of harassment include:
 - (a) derogatory or degrading remarks, jokes, teasing or comments used to describe, or which are directed towards individuals on the basis of one or more of the Enumerated Grounds;
 - (b) display of pictures, graffiti or materials that are derogatory or offensive on the basis of one or more of the Enumerated Grounds;
 - (c) refusing to work with people on the basis of one or more of the Enumerated Grounds.
10. For the purposes of this policy, sexual harassment is any unwelcome behavior that is sexual in nature. It includes unwanted sexual advances, unwanted request for sexual acts, and other unwanted verbal or physical conduct of a sexual nature when an individual knows or ought to know that:
 - (a) submission to such conduct is made either explicitly or implicitly a term or, or condition of, an individual's employment;
 - (b) submission to or rejection of such conduct is used as a basis for any employment decision including, but not limited to assignment of work, promotion, salary, benefits or job security; or
 - (c) such conduct has the purpose or effect of interfering with an individual's work performance or creating and intimidating, hostile or offensive work environment.
11. In addition, the examples set out under the definition of harassment, sexual harassment may include:
 - (a) leering or other offensive or sexually suggestive obscene gestures;
 - (b) the display or distribution of sexually explicit or otherwise offensive material;
 - (c) unwelcome advances, invitations or propositions of a sexual nature or repeated invitations after previous requests have been refused;
 - (d) persistent, unwanted contact or attention after the end of a consensual relationship;
 - (e) any advances, invitations or propositions of a sexual nature, which might, on reasonable grounds, be perceived as placing a condition on an individual's employment, work assignment, or any opportunity for training or promotion;
 - (f) unwanted physical contact, including touching, pinching, ect.;
 - (g) verbal abuse or threats of a sexual nature; and
 - (h) indecent exposure or sexual assault.

Policy

12. No employee, consultant or contractor or any other individual associated with the Corporation will subject any other person to harassment, discrimination or abuse.
13. All employees, consultants and contractors of the Corporation will be provided with a copy of this Respect in the Workplace Policy.
14. At the time of hire and as considered appropriate thereafter, each employee shall sign a prescribed Form of Acknowledgement indicating that they have read understood and will comply with the terms and conditions of this Respect in the Workplace Policy. The Form of Acknowledgement is to be retained in the employee's file. Consultants and contractors will be required to sign the prescribed form as a condition of their contract.
15. All employees, consultants and contractors who are aware of any contravention of this policy, have a duty to promptly report the matter, verbally or in writing, to their supervisor.

Complaint Process

16. The Corporation takes all harassment and discrimination complaints seriously and will respect the rights of all parties involved in the complaint. To the extent practicable and appropriate under the circumstances, the Corporation will maintain an appropriate level of confidentiality throughout the investigation process.
17. The process for reporting violations is described in the Corporation's Code of Ethics and Business Conduct.

No Retaliation

18. No action will be taken against any individual who brings forward a complaint in good faith. Retaliation against an individual for:
 - (a) having invoked this policy, whether on behalf of oneself or another individual;
 - (b) having participated or cooperated in any investigation under this policy; or
 - (c) having been associated with an individual who has invoked this policy or participated in these procedures,

will be treated in the same manner as harassment. Retaliation includes dismissal, demotion, unwanted transfer, denial of opportunities within the company or harassment of an individual as a result of his or her having made a complaint or having provided evidence regarding a complaint.

Approved and adopted by the Board on the ___ day of _____, 2019.

CLIMBING ESCALADE CANADA
(the “Corporation”)

SUBSTANCE ABUSE POLICY

Commitment

1. The Corporation is committed to protecting the health and safety of all individuals affected by its affiliates, as well as the communities in which it operates. The Corporation recognizes that the use of illegal drugs and the inappropriate use of alcohol, cannabis and medications can adversely affect job performance, the safety of employees and the general public.
2. This policy and its related practices apply to all employees, consultants and contractors when they are engaged in company business, both on and off the Corporation’s premises, when operating a company vehicle or vehicle on behalf of the Corporation (i.e., rental), and when participating in any event associated with the Corporation. Contractors are expected to develop and enforce alcohol, cannabis and drug policies and practices that are consistent with this policy and its associated requirements.
3. To minimize the risk of unsafe performance due to alcohol, cannabis or drug use, employees, consultants and contractors are expected to report to work in condition to perform their duties, free from the influence of drugs or alcohol. The use of drugs or alcohol in the workplace will not be tolerated. For the purposes of this policy, ‘drugs’ mean any substance, including recreational cannabis, illegal drugs and medications, the use of which could alter impair or affect a person’s thinking, behaviour or actions or otherwise interfere with an employee’s ability/fitness to perform their duties and discharge their responsibilities in a safe and acceptable manner. ‘Illegal drugs’ mean any regulated substance, the possession, cultivation or trafficking of which is illegal under applicable legislation, and ‘medications’ mean any medication obtained: (i) in an over-the-counter sale, (ii) by an employee pursuant to the prescription issued by a physician or (iii) by an authorization from Health Canada, and includes medical cannabis.
4. **The following are expressly prohibited while on company business or premises:**
 - (a) the use or possession of illegal drugs or illegal drug paraphernalia;
 - (b) the use or possession of alcohol;
 - (c) possession of prescribed medications not authorized for personal use or those that inhibit the ability to safely and efficiently perform job functions; and
 - (d) reporting for duty with the presence of alcohol or illicit drugs in the body.
5. **Investigation procedures that may be utilized in support of this policy include:**
 - (a) reasonable cause testing (including impaired driving);
 - (b) post-incident testing;
 - (c) reasonable grounds searches; and

- (d) pre-access/pre-employment testing.
6. No employee, consultant or contractor shall refuse to submit to a test as required by this policy. No supervisor shall permit an employee who refuses to submit for required testing to perform or continue to perform safety sensitive functions. Any employee, consultant or contractor who refuses to a required test will be relieved of his or her duties and may face disciplinary action. Any employee, consultant or contractor who tampers or attempts to tamper with a test sample, or obstructs the testing process could face disciplinary action.
 7. Employees, consultants or contractors concerned about experiencing alcohol and drug-related problems are encouraged to seek assistance from the company's human resource department or their personal physician.
 8. Disciplinary action up to and including termination will be taken for violations of this policy and its related practices.

Approved and adopted by the Board on the ___ day of _____, 2019.

CLIMBING ESCALADE CANADA
(the “Corporation”)

DELEGATION OF AUTHORITY POLICY

Overview

1. This policy outlines the authority delegated by the Corporation’s board of directors (the “**Board**”) to officers and employees of the Corporation. This policy and the relevant procedures and the Authorization Guidelines and Matrix define the limits of authority for: project approval; making commitments; signing agreements; invoice, payment and expense approval.

Scope

2. This policy applies to all employees of the Corporation and its subsidiaries as well as consultants and contractors acting on behalf of the Corporation and its subsidiaries (collectively referred to as, “**Employees**”).

Delegation of Authority

3. The Board is responsible for managing the business and affairs of the Corporation. Accordingly, the Board has the authority to act on behalf of the Corporation.
4. The Board delegates the authority to act to the Executive Director (or equivalent) of the Corporation. To assist in the orderly conduct of business, the Executive Director may further delegate this authority to other positions within the organization. **Employees may not commit the Corporation, approve expenditures, or sign agreements/contracts unless they have authority under this policy and the relevant local procedures.**

FAQs

- (a) How do I find out what authority I have? Refer to the Authorization Guidelines and Authorization Matrix.

Commitments Involving Expenditures

5. The Board reviews and approves both projects and the annual operating and capital budgets for the Corporation. Where we have partners or provide services on a cost of service basis, recovery of costs is dependent upon our ability to complete a defined work program or provide services within an approved budget. Once our partners and the Board have approved the work program and budgets, and in the case on a project necessary project approvals are obtained, then employees are authorized to enter into commitments up to the budgeted amount. **Employees may not commit the Corporation before this approval process has been completed.**

Contracts/Agreements

6. Where a commitment involves a third party it is necessary to document the transaction in writing using an approved form of contract, in accordance with the Corporation’s policies. Before the parties perform any obligations, an employee having authority (according to this policy and the Authorization Guidelines and Matrix) must sign the contract, except where a specific written exemption has been granted by the Corporation’s Executive Director.

Responsibility

7. The Executive Director, will ensure that the necessary controls are established to enable compliance with this policy. This includes, but is not limited to, establishing and maintaining an authority matrix that defines the positions to which authorities have been granted delegated and the associated procedures.
8. Officers and managers will ensure that their employees are familiar with this policy and the Authorization Guidelines and Matrix and that such policies are observed.

Approved and adopted by the Board on the ___ day of _____, 2019.

CLIMBING ESCALADE CANADA

TAX AND REMITTANCES COMPLIANCE CERTIFICATE

REPRESENTATIONS OF MANAGEMENT

TO: Board of Directors of Climbing Escalade Canada

RE: Taxes and Remittances Compliance as at [●] (the “Reporting Period”)

I, _____, _____ of Climbing Escalade Canada (the “**Corporation**”), on behalf of the Corporation, hereby certify to the best of my knowledge, information, and belief, after having made reasonable inquiries, that during the Reporting Period:

1. All wages due to employees have been paid in full.
2. All statutory amounts to be withheld from employees and other amounts payable to governmental authorities by the Corporation with respect to wages and salaries to employees of the Corporation (including income tax, Employment Insurance, Canada Pension Plan, Workers Compensation premiums) have been:
 - (a) properly calculated in accordance with laws and regulations; and
 - (b) remitted to the proper governmental authorities.
3. All required Goods and Services Taxes have been properly accounted for and remitted to the Canada Revenue Agency.
4. All Federal and Provincial income and excise taxes have been:
 - (a) properly calculated in accordance with laws and regulations;
 - (b) remitted to the proper governmental authorities (as applicable); and
 - (c) properly accrued as payable in the books and records of the Corporation.

This Certificate is provided solely for the Corporation’s Board of Directors and may not be relied upon by any other persons.

Name:
Position:
Climbing Escalade Canada.

Dated this ____ day of _____, 201_.