NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR

For the Annual General Meeting of Shareholders to be held on May 2, 2017

February 23, 2017

Notice of our 2017 annual meeting

Please join us at our 2017 annual meeting of shareholders

When

May 2, 2017
2 p.m. (Eastern time)

Where

Metro Toronto Convention Centre – Room 205AB
255 Front Street West
Toronto, Ontario

What the meeting will cover

> **Receiving** our 2016 consolidated financial statements and the related auditor's report (see page 10)
> **Electing** our directors (see page 10)
> **Appointing** our auditor (see page 10)
> **Voting** on our approach to executive compensation (see page 11)
> **Considering** any other business properly presented at the meeting (see page 11)

Your vote is important

The management information circular tells you about the items of business, who can vote and how you can vote. Please read it carefully, and remember to vote.

If you can't attend the meeting, you can vote by proxy. Simply complete, date and sign the enclosed proxy or voting instruction form, and mail it in the envelope provided so that it is received no later than 2 p.m. (Eastern time) on April 28, 2017 to: Computershare Trust Company of Canada, Proxy department, 9th floor, 100 University Avenue, Toronto, Ontario M6J 2Y1.

We will have a live webcast of the annual meeting on our website.

By order of the board,

"*David P. Smith*"

David P. Smith
Chairman of the Board
Superior Plus Corp.
Toronto, Ontario
February 23, 2017

Where to get a copy of the management information circular and our other documents

If you're a registered shareholder or you have given us instructions to send you printed documents, your management information circular is attached to this notice, and we have mailed you a copy of our 2016 consolidated financial statements and related management's discussion and analysis.

All other shareholders can download these documents after February 27, 2017:

- from our website: www.superiorplus.com
- from our profile on SEDAR: www.sedar.com

Making the circular available online instead of mailing printed copies is called *notice and access*. It saves paper, reduces printing and mailing costs and is better for the environment. Please call us toll-free at (866) 490-7587 if you have questions about *notice and access* or need help downloading the circular or other documents.

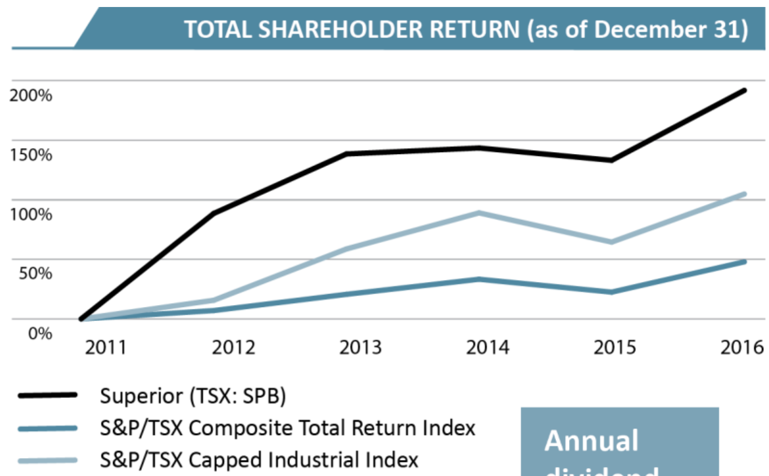
If you prefer to have a printed copy of these documents, contact our head office right away and we'll send you one free of charge. Note that we have to receive your request by **March 14, 2017**:

call	toll-free (866) 490-7587
email	info@superiorplus.com
write	Superior Plus 401-200 Wellington Street West, Toronto, Ontario M5V 3C7
fax	(416) 340-6030

To our shareholders

Superior's board of directors is pleased to report that the company performed well in 2016:

> total shareholder return increased 26.5% over 2015, and significantly outperformed our peer indexes
> adjusted operating cash flow (AOCF) per share was strong, at $1.50 (before restructuring and other costs), considering the divestiture of our Construction Products Distribution (CPD) business
> we paid down our debt, surpassing our long-term target debt to EBITDA ratio of 3.0, and reducing our leverage ratio to 2.3
> we sold our CPD business for $428 million – an important step in our strategy of focusing on our core businesses of energy distribution and specialty chemicals – and completed a tuck-in acquisition in the Canadian propane distribution business



Annual dividend
$0.72
in 2016

The company also continued to make operational improvements:

> made good progress in the implementation of our enterprise risk management program and audit plan
> continued our good safety record
> continued to make good progress on employee engagement.

These results were in spite of challenging weather, the economic downturn in western Canada and the cancellation of our acquisition of Canexus Corporation, and they demonstrate the resiliency in our businesses.

Leading governance practices

The board is responsible for overseeing the affairs of the company, with a view to creating sustainable value and profitable growth while managing risk. You can read about our corporate governance practices and the activities of the board and board committees this year starting on page 23. Our board is made up of a group of directors with an effective mix of skills, experience and diversity. We also want to thank Robert Engbloom, who stepped down from the board this year, for bringing valued strategic and legal expertise to the board for the past 20 years.

Focus on the future

We continued to strengthen the executive team across the organization this year to make sure the company has the right team to support its growth ambitions. This included promoting Beth Summers to Senior Vice President and Chief Financial Officer, and Darren Hribar to Senior Vice President and Chief Legal Officer. Superior's new *Evolution 2020 strategic plan* focuses the executive team on building for the future while improving the company's day-to-day operations, and this year they made great progress in putting the financial and operational foundation in place to allow this to happen.

Compensation governance

The Compensation Committee helps the board in its responsibilities of reviewing and approving compensation of the CEO and senior executives, including named executives to ensure that we continue to build talent bench strength, best-in-class functional and operational expertise and attract, develop and retain key talent to achieve our strategic objectives.

This year we reviewed and made changes to our equity-based compensation plans to align with various business objectives and the market, reviewed the variable compensation plan designs to confirm that they do not encourage inappropriate risk-taking, and ensured that the compensation arrangements for the CEO and senior management team are aligned with our strategic goals and attract and retain key talent. We also approved a new clawback policy for incentive awards, which you can read about on page 51.

As you will notice, we also completely redesigned our circular to make it more investor friendly by, among other things, using clear language, adding a summary of the contents, clarifying our approach to pay-for-performance and expanding on our compensation decision-making process.

Executive compensation

The board has designed an executive compensation program to focus executives on the areas that will help the company achieve its strategic objectives, promote the building of shareholder value and support the company's efforts to attract and retain best-in-class functional and operational expertise – all while working within appropriate risk management guidelines. You can read about the executive compensation program on page 48. Last year Superior's executive compensation was approved by almost 94% of the votes cast by shareholders – thank you for your confidence in us.

Please take the time to vote

This circular tells you about your voting rights as a shareholder and the items we will be discussing at the annual meeting on May 2, 2017. We welcome you to vote again this year, and thank you for your continuing support of Superior.

Sincerely,

"*David P. Smith*"

David P. Smith
Chairman of the Board

"*Luc Desjardins*"

Luc Desjardins
President and Chief Executive Officer

Proxy summary

Please join us at our 2017 annual meeting of shareholders

When
May 2, 2017
2 p.m. (Eastern time)

Where
Metro Toronto
Convention Centre
Room 205AB
255 Front Street West
Toronto, Ontario

Record date
March 15, 2017

Voting items	Board recommendation	For more information
Elect 9 directors	*For* each nominee	page 10
Appoint Deloitte LLP, Chartered Accountants of Toronto, Ontario as our auditor	*For*	page 10
Vote on our approach to executive compensation (advisory vote)	*For*	page 11

Nominated directors

You will be asked to elect nine directors to serve on our board until the end of the next annual meeting of shareholders, or until a successor is elected or appointed. Each nominee must receive more *for* than *withheld* votes according to our majority voting policy. The nominees do not serve together on any other public company boards, and they are all independent except for Mr. Desjardins because he is the President and CEO of Superior. You can read about the directors' backgrounds, experience, 2016 meeting attendance and equity ownership in the profiles starting on page 13.

Name	Age	Director since	Occupation	Inde-pendent	Committee memberships	2016 meeting attendance	2016 voting result	Other public company boards
Catherine (Kay) M. Best	63	2007	Corporate director and consultant	yes	Audit (chair) Governance and nominating	100%	88.64% *for*	3
Eugene V.N. Bissell	63	2014	Corporate director	yes	Audit Health, safety and environment	100%	98.41% *for*	–
Richard C. Bradeen	60	2015	Corporate director	yes	Audit Compensation	100%	98.44% *for*	–
Luc Desjardins	64	2011	President and CEO, Superior	no	–	100%	99.66% *for*	1
Randall J. Findlay	66	2007	Corporate director Chairman of the board, Pembina Pipeline Corporation	yes	Audit Governance and nominating (chair)	100%	98.25% *for*	2
Douglas J. Harrison	57	2015	President and CEO, VersaCold Logistics Services	yes	Audit Health, safety and environment	100%	98.35% *for*	–
Mary B. Jordan	57	2014	Corporate director Chair of the board, Vancouver International Airport Authority	yes	Compensation (chair) Governance and nominating	100%	98.35% *for*	–
Walentin (Val) Mirosh	71	2007	President, Mircan Resources Ltd.	yes	Compensation Health, safety and environment (chair)	100%	98.60% *for*	2
David P. Smith	58	1998	Corporate director Chairman of the Board, Superior	yes	Compensation Governance and nominating	88%	95.64% *for*	1

Corporate governance practices

Superior is committed to high standards of corporate governance. Our corporate governance practices meet the guidelines of the Canadian Securities Administrators (CSA) and we continually review our practices against changing regulations and evolving policies and best practices and update them as appropriate.

The table below is a summary of our governance practices (see page 23 to read more about governance at Superior).

		For more information
Appropriate board size	9 directors	page 12
Separate Chairman and CEO positions	yes	page 24
Majority of the directors are independent	8 of 9 nominees	page 24
Female directors	yes (2 of 9 nominees)	page 31
Board diversity policy	yes	page 31
Leadership diversity	yes	page 29
Annual director elections	yes	page 11
Elect directors individually (not by slate)	yes	page 10
Majority voting policy for directors	yes	page 26
Formal position descriptions for the independent Chairman of the Board, committee chairs and CEO	yes	page 24
Number of board interlocks	none	page 33
Share ownership requirements for directors	yes (3x total retainer)	page 42
Share ownership requirements for executives	yes	page 55
Orientation and continuing education program for directors	yes	page 34
Retirement age for directors	yes (age 72)	page 33
Code of business conduct and ethics	yes	page 25
Regular advisory vote on executive compensation	yes (annually)	page 11
Formal board assessment	yes (annually)	page 36
Communications and disclosure policy	yes	page 30
Shareholder engagement	yes	page 30

Executive compensation practices

Our executive compensation is designed to help us achieve our vision, meet our strategic objectives and build shareholder value. It also supports our efforts to continue building talent bench strength and best-in-class functional and operational expertise and our ability to attract, develop and retain key talent.

Executive compensation has three core principles:

> make compensation competitive
> pay for performance
> align the interest of executives with our shareholders.

The table below is a summary of our compensation practices. You can read more about executive compensation at Superior beginning on page 45.

		For more information
Pay for performance	yes (corporate and individual)	page 54
Significant amount of at-risk pay for executives	yes (73% for the CEO)	page 54
Compensation is paid out over time	yes	page 54
Significant portion of incentive compensation is linked to our share price and shareholder return	yes	page 55
Benchmark compensation to align with the market	yes	page 53
Cap incentive plan payouts to mitigate risk-taking	yes	pages 57, 61
Use of discretion to adjust awards as appropriate	yes (board and compensation committee)	page 49
Share ownership requirements for executives	yes	page 55
Independent advice from external compensation consultant	yes	page 51
Guaranteed bonuses	no	page 57, 61
Clawback policy	yes	page 51
Anti-hedging policy	yes	page 51

2017 Management information circular

You've received this management information circular because you owned common shares of Superior Plus Corp. as of the close of business on March 15, 2017 (the *record date*).

You're entitled to receive notice of and vote your shares at our 2017 annual general meeting of shareholders on May 2, 2017.

We are soliciting your proxy for the meeting, which means we're contacting you to encourage you to vote. We do this mainly by mail, but we may also phone you. If we use a third party to contact you on our behalf, we'll pay the cost (which we expect to be nominal).

This circular includes important information about the meeting, the items of business and how to vote your shares.

The board has approved this circular and its distribution to our shareholders.

Dated at Toronto, Ontario on February 23, 2017.

SUPERIOR PLUS CORP.

"*Luc Desjardins*"

Luc Desjardins
President and Chief Executive Officer

"*Darren Hribar*"

Darren Hribar
Senior Vice President and Chief Legal Officer

In this document:

> *we, us, our* and *Superior* mean Superior Plus Corp.
> *you, your* and *shareholders* mean the holders of Superior common shares
> *meeting* means our annual meeting of shareholders to be held on May 2, 2017
> *common shares* or *shares* mean common shares of Superior Plus Corp.
> *circular* means this management information circular.

All information is as of February 23, 2017, and all dollar amounts are in Canadian dollars, unless stated otherwise.

What's inside

Where to get more information about Superior

You can find financial information about Superior in our annual report, which includes our audited financial statements and management's discussion and analysis (MD&A) for the year ended December 31, 2016. These documents, copies of the meeting materials and our annual information form are available on SEDAR (www.sedar.com) and our website (www.superiorplus.com).

If you would prefer to have printed copies, contact our head office and we will send them to you free of charge. Send your request to the attention of the Vice President, Investor Relations and Treasurer, at:

Superior Plus
401-200 Wellington Street West
Toronto, Ontario M5V 3C7

Telephone:	(416) 345-8050
Toll-free:	(866) 490-PLUS (7587)
Facsimile:	(416) 340-6030
Website:	superiorplus.com

ABOUT THE SHAREHOLDER MEETING

VOTING

At least two persons who hold or represent by proxy at least 5% of the eligible votes must be present at the meeting for it to proceed.

Where to go with questions
If you have any questions about the meeting or about voting, call Computershare at (800) 564-6253.

We must receive a simple majority of votes cast (50% plus one vote) for an item to be approved. Computershare Trust Company of Canada (Computershare), our transfer agent and registrar, will count the votes in its capacity as the meeting's scrutineer. We had 142,842,820 common shares outstanding as of February 23, 2017.

We are not aware of any person who beneficially owns or exercises control or direction over (directly or indirectly) more than 10% of the voting rights attached to Superior's common shares.

Who can vote

If you held Superior common shares at 5 p.m. (Eastern time) on the record date of March 15, 2017, you are entitled to receive notice of and vote at our 2017 annual meeting. Each common share you own entitles you to one vote at the meeting or any adjournment.

How to vote

You can vote in one of two ways:

- by coming to the meeting and voting in person
- by having someone else vote for you at the meeting (called *voting by proxy*).

The rules depend on whether you're a registered shareholder or a non-registered (beneficial) shareholder.

Registered shareholders

You are a *registered shareholder* if you hold a share certificate in your name or your shares are recorded electronically in the direct registration system. We have sent you a *proxy form* with this package.

Non-registered (beneficial) shareholders

You are a *non-registered shareholder* if you hold your shares through an intermediary (a bank, trust company, securities broker or other). The shares are registered in your intermediary's name and you are the beneficial shareholder. We don't have the names of beneficial shareholders or a record of the number of shares they own.

Most brokers use Broadridge Financial Solutions, Inc. (Broadridge) to get voting instructions from clients. Broadridge or your intermediary will send you a *voting instruction form.* Superior does not pay for the cost of this mailing.

	Registered shareholders	Non-registered (beneficial) shareholders
Voting by proxy Your shares will be voted at the meeting according to your instructions	Send your voting instructions by using your *proxy form*. You can send your instructions by mail, internet, telephone or fax. Follow the instructions on the form carefully. Your instructions must be received by **2 p.m. (Eastern time) on April 28, 2017 for your vote to be counted.** If you're mailing the form, be sure to allow enough time for the envelope to be delivered. If the meeting is adjourned, your proxy must be received by **5 p.m. two business days before the meeting is reconvened.**	Send your voting instructions using your *voting instruction form.* Most intermediaries allow you to send your instructions by mail, internet, telephone or fax, but each has its own process so make sure you follow the instructions on the form. Your intermediary must receive your instructions in enough time to act on them. Check the deadline on the form. If you're mailing your instructions, be sure to allow enough time for the envelope to be delivered.
Voting in person	Do not complete and return the proxy form – your vote will be taken and counted at the meeting. Make sure you register with Computershare when you arrive at the meeting.	To attend the meeting and vote in person, follow the directions on the voting instruction form carefully. You cannot use your *voting instruction form* to vote your shares at the meeting. Make sure you register with Computershare when you arrive at the meeting.
Changing your vote	If you voted by phone or internet, then voting again by phone or internet will revoke your previous vote. If you faxed or mailed your proxy, you can revoke your vote and provide new voting instructions by fax or mail. The letter must be signed by you or your authorized attorney. If the shareholder is a corporation, the instructions must include a corporate seal or be signed by an authorized officer or attorney. Your previous instructions will be revoked as long as: • they are received by 2:00 p.m. (Eastern time) on April 28, 2017 • you give them to the chair of the meeting on the day of the meeting, or any adjournment, before the vote has taken place, or • you provide them in any other way allowed by law, including coming to the meeting, or any adjournment of the meeting, and voting in person.	Contact your intermediary for instructions about how to revoke your proxy.
More about voting by proxy	When you send in the proxy form, by default you are appointing Luc Desjardins and Darren Hribar, officers of Superior, to act as your proxyholder and vote on your behalf. They will vote your shares according to the voting instructions you provide on the proxy form. **If you do not provide voting instructions, they will vote FOR the resolutions to be voted on at the meeting.** **You also have the right to appoint someone else to represent you at the meeting, whether or not you attend. Simply write that person's name in the blank space provided on the proxy form.** That person does not need to be a shareholder. Your vote will be counted as long as the person you appoint attends the meeting and votes on your behalf. If amendments or new items are brought before the meeting, your proxyholder can vote as he or she sees fit.	

WHAT THE MEETING WILL COVER

1. Receiving our financial statements

Our audited consolidated financial statements for the year ended December 31, 2016, together with the auditor's report on those statements, will be presented at the meeting. These are available in our annual report, which you can find on our website.

2. Electing the directors

You will be asked to elect nine directors to serve on our board until the end of the next annual meeting of shareholders, or until his or her successor is elected or appointed. Please turn to page 13 for information about each of the nominated directors:

- Catherine (Kay) M. Best
- Eugene V.N. Bissell
- Richard C. Bradeen
- Luc Desjardins
- Randall J. Findlay
- Douglas J. Harrison
- Mary B. Jordan
- Walentin (Val) Mirosh
- David P. Smith

You can vote *for*, or *withhold* your vote from, each director. Directors who receive more *withheld* than *for* votes must submit their resignation, according to our majority voting policy (see page 26 for more information).

The board recommends you vote **FOR** the nominated directors.

3. Appointing the auditor

You will be asked to vote for the appointment of Deloitte LLP, Chartered Accountants of Toronto, Ontario as our auditor and to authorize the directors to set the auditor's compensation. Deloitte was first appointed auditor effective August 2, 1996, by Superior Plus Income Fund, a predecessor to Superior.

Deloitte audit fees

The table below lists the services Deloitte provided and the fees we paid them for the years ended December 31, 2015 and 2016.

		2015	2016
Audit fees	Fees for: > audit and review of Superior and Superior Plus LP's financial statements > services provided in connection with statutory and regulatory filings > prospectus-related services > services related to the sale of Construction Products Distribution	$1,934,883	$3,006,506
Audit-related fees	Fees for: > one-time stand-alone audits of the Superior Gas Liquids and Construction Products Distribution businesses > fees in connection with auditing or reviewing financial statements that were not part of audit fees, such as attendance at quarterly audit meetings, pension plan audits and regulatory reviews	$370,373	$402,162
All other fees	Fees requiring prior approval from the audit committee: > 2016 – fees related to corporate strategy and the Canexus transaction	$1,309,412	$339,753
Total fees		**$3,614,668**	**$3,748,421**

The board has assessed Deloitte's performance and independence, and recommends you vote **FOR** appointing them as our independent auditor until the close of the next annual meeting and authorizing the board to set their compensation.

4. Voting on our approach to executive compensation

The underlying principle in our approach to executive compensation is 'pay for performance'. Management and the board believe this helps us attract and retain excellent employees and top performing executives, while motivating and rewarding the achievement of our goals, objectives and longer term strategies (see page 48 for details about our approach).

Our 2016 'say on pay' vote was approved by 93.93% of votes cast. This year we are asking you to vote on the following resolution:
"RESOLVED THAT, on an advisory basis and not to diminish the role and responsibilities of the board, the shareholders accept the approach to executive compensation disclosed in this information circular."

This is an advisory vote, which means the results are not binding on the board. The board will, however, consider the outcome of the vote as part of its ongoing review of executive compensation.

The board recommends you vote **FOR** our approach to executive compensation.

5. Other items of business

At the time of writing this circular, we were not aware of any other business to be brought before the meeting.

Shareholder proposals

There were no shareholder proposals in 2016. The deadline for submitting shareholder proposals to be considered at next year's annual meeting is November 25, 2017. Proposals should be sent to:

401-200 Wellington Street West
Toronto, Ontario M5V 3C7
Attention: Chief Legal Officer

Nominating directors

If you want to nominate a director without using a shareholder proposal, you will need to:

- notify the corporate secretary in writing
- send us the information outlined in By-Law No. 2 (the *Advance Notice By-Law*), which you can find on SEDAR (www.sedar.com – filed on April 14, 2015).

Nominations for the 2017 annual meeting

The corporate secretary has to receive notices of director nominees **before 5 p.m. EST on April 2, 2017** to be included in our list of director nominees for the 2017 annual meeting of shareholders.

Nominations for the 2018 annual meeting

The Corporate Secretary has to receive notices of director nominees as outlined in the chart below:

Type of meeting	If the first public announcement of the meeting is:	Send notice of director nominees no later than:
Annual meeting	more than 50 days before the meeting	30 days before the meeting (but not earlier than 65 days before the meeting)
	50 days or less before the meeting	10 days after the first public announcement of the meeting
Special meeting		15 days after the first public announcement of the meeting

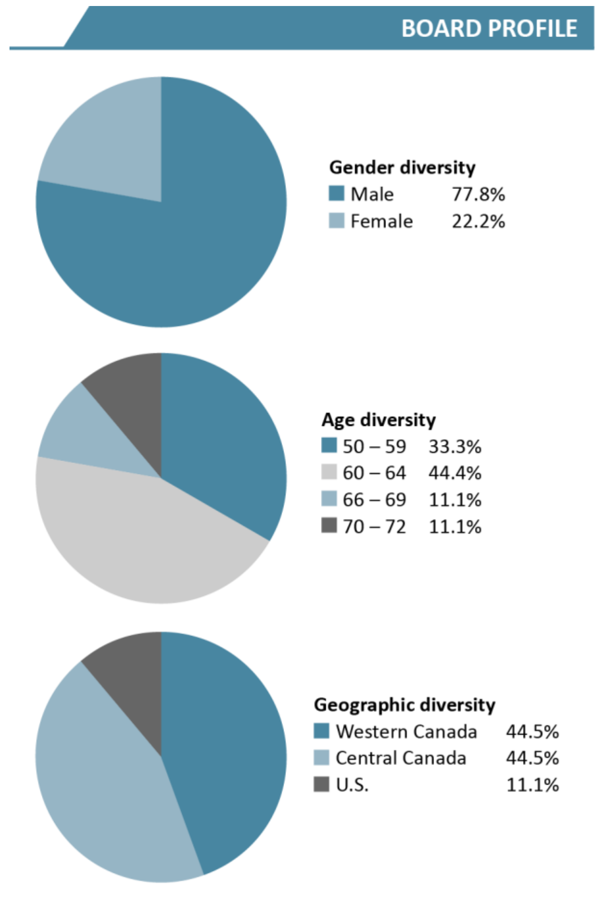
ABOUT THE NOMINATED DIRECTORS

BOARD PROFILE

A board that is made up of directors with diverse backgrounds, experience and other attributes is important because it brings different perspectives for more informed decision-making. Gender, skills, experience, education, age, ethnicity and geographic location are all important when assessing the composition of the board and potential candidates to fill board vacancies.

This year there are nine nominated directors. The pages that follow tell you about their background, their qualifications, their committee memberships and meeting attendance last year, and their equity ownership in the company, among other things.
It also shows you the votes they received at last year's annual meeting.

We believe this group of directors has the right mix of skills, experience and diversity to effectively oversee our affairs, and provide effective leadership and oversight with a view to creating sustainable and long-term value and profitable growth.



Superior Plus

Catherine (Kay) M. Best, B.I.D., FCA, ICD.D
Independent

Calgary, Alberta, Canada
Director since 2007
Age 63

2016 votes *for*: 88.64%

Areas of expertise
- Energy business
- Governance/board
- Accounting/audit
- Risk management

Ms. Best is a corporate director and consultant. She was Executive Vice-President, Risk Management and Chief Financial Officer of the Calgary Health Region from 2000 to 2008, and Executive Vice-President and Chief Financial Officer of Alberta Health Services until March 2009. Prior to that, Ms. Best was a partner with Ernst & Young (Canada), a global leader in assurance, tax, transaction and advisory services in Calgary.

In addition to her extensive experience in the areas of finance, audit, strategic planning, and human resources/ compensation, Ms. Best has oil & gas production and development, and chemical business experience.

2016 meeting attendance

Board	11 of 11 (100%)
Board committees	
> Audit (chair)	4 of 4 (100%)
> Governance and nominating	8 of 8 (100%)

Equity ownership (as of December 31, 2016)

> Common shares	7,000	$89,250
> DSUs	42,491	$541,760
Market value		$631,010

Meets her equity ownership requirement (see page 42 for details).

Other public company boards

> AltaGas Ltd. (TSX)
  Audit committee
  Human resources and compensation committee

> Badger Daylighting Ltd. (TSX)
  Audit committee (chair)
  Nominating and governance committee

> Canadian Natural Resources Limited (TSX, NYSE)
  Audit committee (chair)
  Compensation committee

Eugene V.N. Bissell, BA, MBA
Independent

Gladwyne, Pennsylvania, United States
Director since 2014
Age 63

2016 votes *for*: 98.41%

Areas of expertise
- Distribution business
- U.S. business
- Operational management
- Strategic planning
- Environment and safety
- Mergers and acquisitions

Mr. Bissell served as President, Chief Executive Officer and director of AmeriGas, Propane LP, a Master Limited Partnership traded on the New York Stock Exchange and a subsidiary of UGI Corp, a distributor and marketer of energy products and services, including natural gas, propane, butane and electricity from July 2000 to his retirement in March 2012.

Mr. Bissell has over 14 years of public company board experience and broad career experience gained over a period of more than 30 years in CEO and various other senior management positions in the propane and industrial gas sectors, including in areas of strategic planning, sales and operational management and corporate development, as well as large scale acquisition negotiation and integration. He has also served on several non-profit boards. He is a Past Chair of and continues to serve as a member of the board of the National Propane Gas Association and the Propane Education and Research Council.

2016 meeting attendance

Board	11 of 11 (100%)
Board committees	
> Audit	4 of 4 (100%)
> Health, safety and environment	4 of 4 (100%)

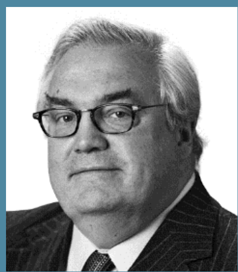
Equity ownership (as of December 31, 2016)

> Common shares	15,972	$203,643
> DSUs	29,229	$372,670
Market value		$576,313

Meets his equity ownership requirement (see page 42 for details).

Other public company boards

> None



Richard C. Bradeen, BCom, CPA, CA
Independent

Montréal West, Quebec, Canada
Director since 2015
Age 60

2016 votes *for*: 98.44%

Areas of expertise
- International business
- Strategic planning
- Financing/capital markets
- Accounting/audit
- Mergers and acquisitions
- Risk management

Mr. Bradeen served as Senior Vice-president, Strategy, Mergers & Acquisitions, Pension Investments, Corporate Audit Services and Risk Assessment of Bombardier Inc., Montreal (Bombardier), a leading worldwide manufacturer of planes and trains from February 2009 to October 2013. He started his career at Bombardier in 1997 as Vice President, Acquisitions and held increasingly senior roles. Prior to that, Mr. Bradeen served as a partner and a member of the Partnership Board of Directors of Ernst & Young. He joined Ernst & Young in 1978 and held increasingly senior roles over a 19-year period, including that of President, Corporate Finance Group in Toronto.

In addition to his extensive experience in corporate finance, building and expanding businesses, as well as completing and integrating significant business acquisitions in Canada, the United States, Europe and Asia, Mr. Bradeen also has expertise in audit, risk assessment, financial engineering and processes, corporate strategy, operations and talent development, among other areas.

2016 meeting attendance

Board	11 of 11 (100%)
Board committees	
> Audit	4 of 4 (100%)
> Compensation	6 of 6 (100%)

Equity ownership (as of December 31, 2016)

> Common shares	10,000	$127,500
> DSUs	22,871	$291,605
Market value		$419,105

Meets his equity ownership requirement (see page 42 for details).

Other public company boards

> None

Luc Desjardins, MBA
Not independent

Toronto, Ontario, Canada
Director since 2011
Age 64

2016 votes *for*: 99.66%

Areas of expertise

- Distribution business
- Energy business
- U.S. business
- Operational management
- Strategic planning
- Marketing/sales
- Mergers and acquisitions

Mr. Desjardins joined Superior as President and CEO on November 14, 2011. Prior to his current position, Mr. Desjardins was an operating partner of The Sterling Group LP, a private equity firm. He also served as President and Chief Executive Officer of Transcontinental Inc., a leading publisher of consumer magazines, from 2004 to 2008, and as its president and chief operating officer from 2000 to 2004.

Mr. Desjardins has extensive strategic, finance, U.S. and Canadian business experience, including in the areas of strategic planning, risk management, human resources, and operational management. During his partnership with The Sterling Group LP, he was executive chairman of three enterprises involved in the distribution industry, as well as the energy products and services industry.

2016 meeting attendance

Board	11 of 11 (100%)

Equity ownership (as of December 31, 2016)

> Common shares	347,456	$4,430,064
> RSUs/PSUs	499,307	$6,366,164
Market value		$10,796,228

Meets his equity ownership requirement (see page 42 for details).

Debt ownership (as of December 31, 2016)

> 6.5% Senior unsecured notes (Superior Plus LP)	$500,000

Other public company boards

> Canadian Imperial Bank of Commerce (TSX, NYSE)
Audit committee

Randall J. Findlay, BASc, P.Eng, ICD.D
Independent

Calgary, Alberta, Canada
Director since 2007
Age 66

2016 votes *for*: 98.25%

Areas of expertise
- Energy business
- Governance/board
- Strategic planning
- Human resources/compensation
- Risk management

Mr. Findlay is a corporate director with extensive experience in business management, finance and governance. He has been a professional engineer for over 40 years, and has held numerous executive positions in the resource industry. He is a past president of Provident Energy Trust, and was a member of its board of directors from 2001 to 2012. Prior to joining Provident, he was a senior Vice President at TransCanada Pipelines and President of its North American mid-stream business.

Mr. Findlay serves on the board of directors of two other public companies, and is a director of EllisDon Corporation and Chair of SeaNG Energy Ltd., both of which are privately held. He is the past National Chair of the Petroleum Society of the Canadian Institute of Mining, Metallurgy and Petroleum, and a recipient of its Lifetime Achievement Award. He is also past Chair of the Alberta Children's Hospital Foundation.

2016 meeting attendance

Board	11 of 11 (100%)
Board committees	
> Audit	4 of 4 (100%)
> Governance and nominating (chair)	8 of 8 (100%)

Equity ownership (as of December 31, 2016)

> Common shares	20,000	$255,000
> DSUs	49,767	$634,529
Market value		$889,529

Debt ownership (as of December 31, 2016)

> Convertible debentures	$125,000

Other public company boards

> HNZ Group Inc. (TSX)
  Audit committee
  Compensation, corporate governance and nominating committee

> Pembina Pipeline Corporation (TSX, NYSE)
  Chairman of the board
  Governance committee
  Major capital projects committee

Meets his equity ownership requirement (see page 42 for details).

Mr. Findlay was a director of:

> Wellpoint Systems Inc. Listed on the TSX Venture Exchange, Wellpoint supplied software to the energy industry in Canada, the U.S. and internationally. It was placed into receivership by two of its lenders on January 31, 2011. Mr. Findlay sat on the board from June 2008 to January 31, 2011.

> Spyglass Resources Corp. (and its predecessor). An oil and gas company based in western Canada and listed on the TSX, Spyglass was placed into receivership by a syndicate of its lenders on November 26, 2015. Mr. Findlay sat on the board from March 12, 2012 until May 13, 2015. The company was subsequently sold to private interests.

Douglas J. Harrison, MBA,CPA,CMA,ICD.D,CCLP
Independent

Burlington, Ontario, Canada
Director since 2015
Age 57

2016 votes *for*: 98.35%

Areas of expertise

- Distribution business
- U.S. business
- Operational management
- Governance/board
- Strategic planning
- Environment and safety
- Marketing/sales
- Human resources/compensation
- Technology

Mr. Harrison is President and CEO of VersaCold Logistics Services, Canada's largest provider of temperature sensitive supply chain and logistics services, and sits on the boards of its subsidiaries.

Previously he served as Chief Operating Officer of Day & Ross Transportation Group (a subsidiary of McCain Foods); President of Acklands-Grainger, Canada's leading industrial and safety supply company; and Vice President and Managing Director for Ryder Integrated Logistics. Mr. Harrison serves on the board of the Technical Standards and Safety Authority (TSSA). In the past, he has served on the boards of the Conference Board of Canada, Hamilton Utilities Corporation, Horizon Utilities and was Chair of the Board of Directors of Livingston International.

Mr. Harrison has strategic and business experience in the logistics industry with extensive knowledge of U.S. and international business, including operational management, strategic planning, marketing and mergers and acquisitions. Mr. Harrison also has business experience in the industrial distribution, building products, energy and supply chain industries.

2016 meeting attendance

Board	11 of 11 (100%)
Board committees	
> Audit	4 of 4 (100%)
> Health, safety and environment	4 of 4 (100%)

Equity ownership (as of December 31, 2016)

> Common shares	9,600	$122,400
> DSUs	17,283	$220,358
Market value		$342,758

On track to meeting his equity ownership requirement (see page 42 for details).

Other public company boards

> None

Mary B. Jordan, BA, MBA, ICD.D
Independent

Vancouver, British Columbia, Canada
Director since 2014
Age 57

2016 votes *for*: 98.35%

Areas of expertise
- Operational management
- Governance/board
- Strategic planning
- Environment and safety
- Human resources/compensation

Ms. Jordan is a corporate director. She serves as Chair of the board of the Vancouver International Airport Authority and as a director of Coast Capital Savings Credit Union (a provider of financial products and services) and as a director of Timberwest Forest Corp., western Canada's largest private managed forest land owner. From 2006 to 2008, Ms. Jordan was Executive Vice President, Human Resources & Internal Communications at Laidlaw International, Inc. (a provider of school, intercity bus and other transportation services). From 2003 to 2006, she held the position of Provincial Executive Director for the BC Centre for Disease Control. In addition, Ms. Jordan has spent more than 20 years in the airline industry, holding senior executive positions with Air Canada, Canadian Airlines and American Airlines, including terms as the President of several wholly-owned regional carriers.

Ms. Jordan has broad experience in developing comprehensive business plans, process implementation and strategic oversight with focus on sales, marketing, customer service, trade, transportation and distribution. She also has extensive experience in the areas of financial planning, human resources/compensation, risk management/insurance and IT strategies. Ms. Jordan is a former member of the Insurance Council of British Columbia and a former director of the Vancouver Board of Trade.

2016 meeting attendance

Board	11 of 11 (100%)
Board committees	
> Compensation (chair)	6 of 6 (100%)
> Governance and nominating	8 of 8 (100%)

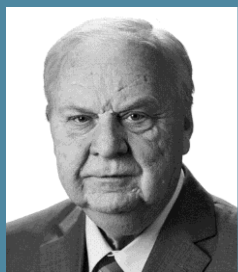
Equity ownership (as of December 31, 2016)

> Common shares	5,000	$63,750
> DSUs	32,562	$415,166
Market value		$478,916

Meets her equity ownership requirement (see page 42 for details).

Other public company boards

> None



Walentin (Val) Mirosh, BSc, MASc, LLB
Independent

Calgary, Alberta, Canada
Director since 2007
Age 71

2016 votes *for*: 98.60%

Areas of expertise
- Chemical business
- Energy business
- Governance/board
- Environment and safety
- Legal
- Strategic planning

Mr. Mirosh is a corporate director and President of Mircan Resources Ltd., a private investment and consulting company.

Mr. Mirosh has extensive experience in business development and corporate strategy. From 2003 to 2009, he was Vice President of NOVA Chemicals Corp., a producer and marketer of ethylene, polyethylene and styrenics. He also served as Special Advisor to the President and Chief Operating Officer of NOVA Chemicals. Previously, Mr. Mirosh was a Partner at the law firm of Macleod Dixon LLP where he practiced primarily in the areas of energy and international law, with specialization in oil and gas marketing, midstream, pipeline and regulatory matters and project development.

2016 meeting attendance

Board	11 of 11 (100%)
Board committees	
> Compensation	6 of 6 (100%)
> Health, safety and environment (chair)	4 of 4 (100%)

Equity ownership (as of December 31, 2016)

> Common shares	8,000	$102,000
> DSUs	42,004	$535,551
Market value		$637,551

Meets his equity ownership requirement (see page 42 for details).

Other public company boards

> Murphy Oil Corporation (NYSE)
Compensation committee
Environment, health & safety committee

> TC Pipelines, LP (NYSE)
Audit committee

David P. Smith, CFA, HBA
Independent

Toronto, Ontario, Canada
Director since 1998
Age 58

2016 votes *for*: 95.64%

Areas of expertise
- Energy business
- Governance/board
- Strategic planning
- Financing/capital markets
- Accounting/audit
- Mergers and acquisitions
- Risk management

Mr. Smith was appointed Chairman of the Board on August 6, 2014.

Mr. Smith is a corporate director. He was previously a managing partner of Enterprise Capital Management Inc. He has extensive experience in the investment banking, investment research and management industry. His areas of expertise include investment research, mergers & acquisitions, project finance, privatization and corporate finance.

2016 meeting attendance

Board (Chairman)	11 of 11 (100%)
Board committees	
> Compensation	5 of 6 (83%)
> Governance and nominating	6 of 8 (75%)

Mr. Smith could not attend the meetings on August 8, 2016 because of a personal emergency, and on July 18, 2016 because of a prior commitment.

Equity ownership (as of December 31, 2016)

> Common shares	72,859	$928,952
> DSUs	61,917	$789,442
Market value		$1,718,394

Meets his equity ownership requirement (see page 42 for details).

Other public company boards

> Gran Tierra Energy Inc. (TSX, NYSE)
Audit committee (chair)
Health, safety & environment committee

Mr. Smith was a director of CASA Energy Services Corp., a private Calgary-based energy services firm. CASA was insolvent when Mr. Smith was elected as a director and chairman of the board, and his role was to help stabilize the business and achieve the best results for its stakeholders. On May 21, 2015, a proposal was filed with the Office of the Superintendent of Bankruptcy Canada to reorganize CASA, which the Alberta Court of Queen's Bench approved on June 26, 2015.

MEETING ATTENDANCE

The table below shows the number of board and committee meetings in 2016 and overall attendance.

	Meetings held	Attendance
Board of directors (includes a two-day strategy session)	11	100%
Audit committee	4	100%
Governance and nominating committee	8	94%
Compensation committee	6	96%
Health, safety and environment committee	4	100%

The table below shows the number of board and committee meetings each of the directors attended in 2016. You can see each director's individual attendance record in the profiles beginning on page 13.

	Board meetings		Committee meetings		Total board and committee meetings	
Catherine (Kay) M. Best	11 of 11	100%	12 of 12	100%	23 of 23	100%
Eugene V.N. Bissell	11 of 11	100%	8 of 8	100%	19 of 19	100%
Richard C. Bradeen	11 of 11	100%	10 of 10	100%	21 of 21	100%
Luc Desjardins	11 of 11	100%	–	–	11 of 11	100%
Randall J. Findlay	11 of 11	100%	12 of 12	100%	23 of 23	100%
Douglas J. Harrison	11 of 11	100%	8 of 8	100%	19 of 19	100%
Mary B. Jordan	11 of 11	100%	14 of 14	100%	25 of 25	100%
Walentin (Val) Mirosh[1]	11 of 11	100%	10 of 10	100%	21 of 21	100%
David P. Smith[2]	11 of 11	100%	11 of 14	79%	22 of 25	88%
Directors not standing for re-election						
Robert J. Engbloom	11 of 11	100%	4 of 4	100%	15 of 15	100%

[1] Mr. Mirosh could not attend the second day of the strategy meeting on October 4, 2016 because of a prior commitment.

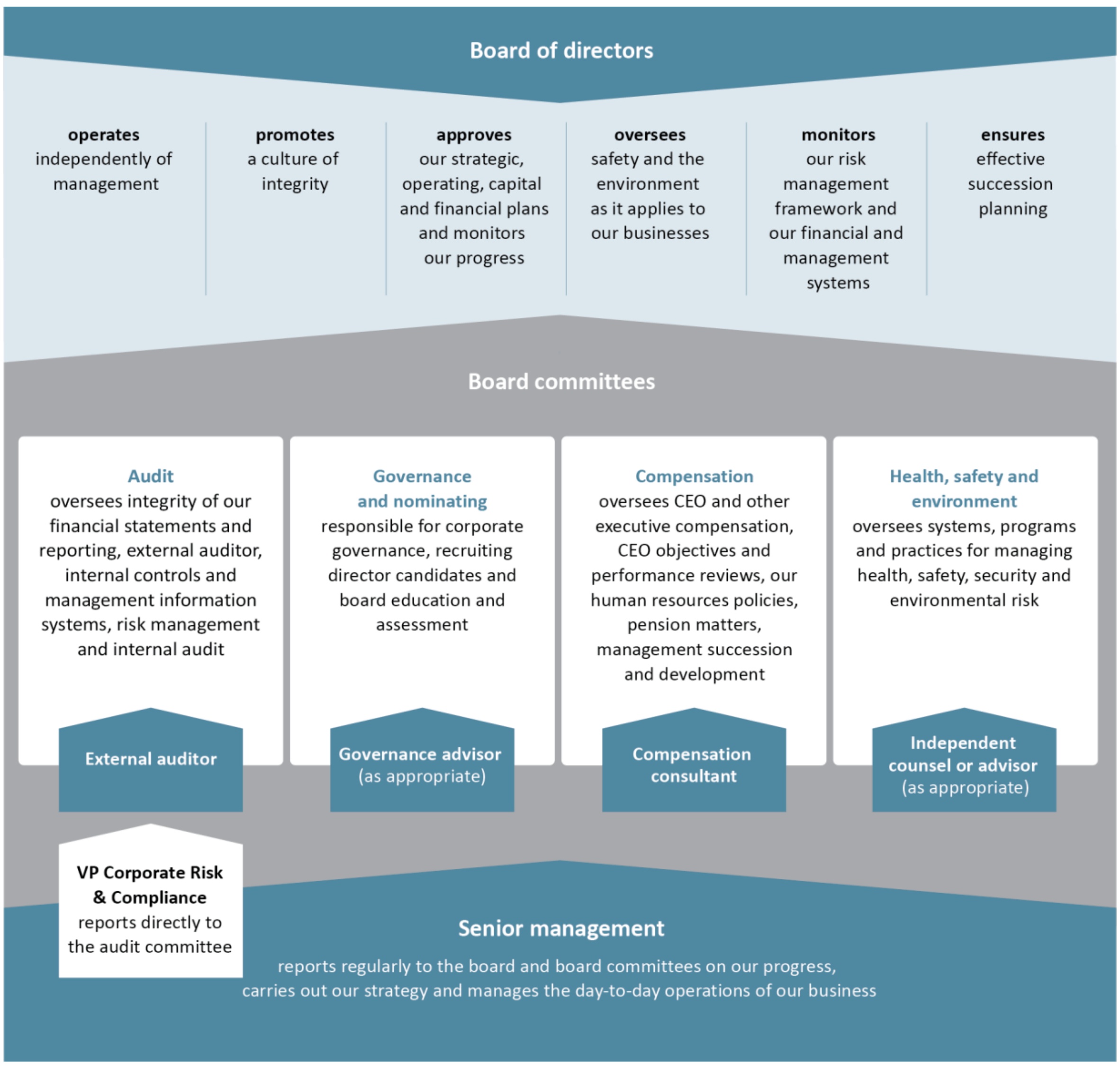
[2] Mr. Smith could not attend the meetings on August 8, 2016 because of a personal emergency, and on July 18, 2016 because of a prior commitment.

GOVERNANCE

We're committed to high standards of corporate governance. Our corporate governance practices meet the guidelines of the Canadian Securities Administrators (CSA) and we continually review our practices against changing regulations and evolving policies and best practices, and update them as appropriate. This section discusses corporate governance at Superior and it has been reviewed and approved by the governance and nominating committee of the board.

ABOUT THE BOARD

The board is primarily responsible for decision-making and oversight with a view to creating sustainable value and profitable growth. It collaborates with management to oversee strategy and create policies, and approves significant actions. It oversees management decisions, reviews the adequacy of our systems and internal controls and monitors the implementation of our policies. The board has four standing committees to help it carry out these responsibilities.



You can find the board mandate on SEDAR and the board and committee mandates are also available on our website (www.superiorplus.com), or we will send them to you free of charge if you contact us. You can read about the committees in more detail starting on page 37.

The Chairman of the Board's principal role is to manage and provide leadership to the board, and to act as a liaison between the board and management through the President and Chief Executive Officer. We have formal position descriptions for the Chairman of the Board, the President and Chief Executive Officer and the chair of each standing committee, which are available on our website.

Independence

We believe the board must be independent to carry out its duties effectively. All of the nominated directors are independent except for Mr. Desjardins because he is our President and Chief Executive Officer.

We define a director as *independent* if they do not have a direct or indirect relationship with Superior that could reasonably be expected to interfere with exercising independent judgment. This meets the independence criteria of National Policy 58-101 – *Disclosure of Corporate Governance Practices*.

All four board committees are made up of independent directors as shown in the table below. Members of the audit committee also meet the more stringent independence criteria for audit committees in National Instrument 52-110 – *Audit Committees*. We do not have an executive committee.

	Independent					
Director	Yes	No	Audit committee	Governance and nominating committee	Compensation committee	Health, safety and environment committee
Catherine (Kay) M. Best	√		chair	√		
Eugene V.N. Bissell	√		√			√
Richard C. Bradeen	√		√		√	
Luc Desjardins		√				
Randall J. Findlay	√		√	chair		
Douglas J. Harrison	√		√			√
Mary B. Jordan	√			√	chair	
Walentin (Val) Mirosh	√				√	chair
David P. Smith, Chairman	√			√	√	

Meeting *in camera*

The board and each committee set aside time at each meeting to meet *in camera*, without the non-independent directors or members of management.

Integrity

We expect everyone at Superior to be honest and act with integrity.

The board oversees our culture of integrity with the support of the governance and nominating committee. The President and CEO is responsible for fostering a culture that promotes ethical conduct and integrity, and for making sure that we have appropriate practices and processes in place and that people follow the rules and get advice if they need it.

Code of Business Conduct and Ethics

Our Code of Business Conduct and Ethics (code), which the board adopted in 2005 and most recently amended and restated on August 9, 2016, reinforces our principles and values and guides behaviour to avoid any potential embarrassment, liability or financial loss.

The code covers several areas, including:

- avoiding conflicts of interest
- protecting our corporate assets and opportunities
- keeping corporate information confidential
- dealing fairly with our shareholders, employees, customers, suppliers and competitors
- complying with laws, rules and regulations
- reporting any illegal, unethical or inappropriate behaviour.

The code applies to all directors, officers, employees and consultants, and every year employees must certify that they have read and will abide by it. Employees must also certify that they have read and will abide by our other policies, including our Communication and Disclosure Policy and Practices and Insider Trading, Anti-Corruption, Privacy and Whistleblower policies. Reports of non-compliance with the code or policies are reported to the Audit Committee.

Anyone who has a question about the code, a concern about a situation or suspects a breach of the code must report it immediately to their manager, Vice President, Risk and Compliance, Vice President, Human Resources of their business division or our Chief Legal Officer.

Only the board can waive an aspect of the code, and must promptly disclose it as required by the rules and regulations that apply to us. The board did not waive any aspect of the code in 2016, nor were we required to file a material change report relating to a departure from the code for a director or officer in 2016, or in prior years.

You can find a copy of the code and key policies on our website. The code was last amended and restated by the board on August 9, 2016, and is also available on SEDAR.

Avoiding conflicts of interest

A conflict of interest is any relationship that prevents someone from acting objectively or in our best interests. We expect our employees, officers and directors to avoid situations where they might find themselves in a conflict of interest. However, if anyone believes a conflict of interest or perceived conflict of interest exists, they should report it right away:

- employees should speak to their supervisor or the Vice President of Human Resources
- executive officers and directors should speak to the President and Chief Executive Officer, the Senior Vice President and Chief Legal Officer or the Chairman of the Board.

Whistleblower Policy

An important part of fostering a culture of accountability is offering people a way to raise concerns about fraud or other wrongdoing without fear of retaliation.

Our Whistleblower Policy establishes a framework for reporting and investigating concerns relating to questionable accounting, auditing, fraud or other inappropriate conduct. It allows people to provide anonymous reports and protects the confidentiality of the information submitted. It is implemented by our whistleblower committee, which includes senior executives from our risk and compliance, finance, legal and human resources departments. Reporting to our audit committee, the whistleblower committee manages our procedures for receiving, retaining and responding to any concerns.

We encourage anyone suspecting an incident of fraud or other wrongdoing to report it immediately, in one of two ways:

- by telling their immediate supervisor, or a member of the senior leadership team, the whistleblower committee c/o the Vice President, Corporate Risk & Compliance or the audit committee
- by calling our *ConfidenceLine* (1-800-661-9675) 24 hours a day, seven days a week, or online at www.superiorplus.confidenceline.net. Reports can be made anonymously, and the service supports calls in French, English or Spanish, and is administered by a third party.

The Vice President, Corporate Risk & Compliance receives all reports and refers them to the whistleblower committee, which investigates and reports to the audit committee.

There is no retaliation against someone who makes a report in good faith.

Majority Voting Policy

Shareholders can vote *for*, or *withhold* their vote from, each director. Directors who receive more *withheld* than *for* votes must submit their resignation, according to our Majority Voting Policy.

The governance and nominating committee will consider the resignation and recommend that the board accept it unless there are extenuating circumstances. The board will decide whether or not to accept the resignation within 90 days of the meeting and disclose its decision and the reasons why in a news release. The director will not participate in these deliberations.

This policy applies only in uncontested elections, where the number of nominated directors is the same as the number of directors to be elected.

THE BOARD'S RESPONSIBILITIES

The board is responsible for the overall stewardship of Superior. We have an active and engaged board that is committed to the company's future growth and success. The board members have diverse skill sets, are enthusiastic, and work well together through constructive dialogue.

The board works diligently to fulfill its mandate and focuses on five specific areas for board effectiveness:
> strategic planning
> risk oversight
> leadership development and succession
> communications and reporting
> shareholder engagement.

Strategic planning

The board is actively involved in developing our strategic direction because of its importance to our future growth and impact on shareholder value.

Management, under the direction of the President and Chief Executive Officer, is responsible for developing a detailed five-year strategic plan and annual corporate business plans to support the longer-term strategy.

The President and Chief Executive Officer is responsible for implementing the annual business plan and allocating the financial, human and other resources to achieve the annual and longer-term goals, while managing risk.

The board holds a two-day strategic planning session with management every year as part of the planning process. The President and Chief Executive Officer, together with the senior management team, updates the board on our progress and the group discusses strategic issues, competitive developments, business opportunities and risks at the corporate and business levels, with input and insights provided by the board. The board also meets *in camera* for further discussion before approving our overall vision, objectives and long-term strategy.

The board oversees the implementation of the strategic plan and monitors our progress, providing guidance and input as appropriate. The President and Chief Executive Officer updates the board at each board meeting. The board approves any adjustments to the strategic plan in response to our progress and/or changing market conditions. New strategic opportunities and risks are discussed as they arise throughout the year.

New board meeting format
We restructured the format of our board meetings this year to allow for more in-depth analysis and discussion.

Both the compensation committee and the board assess our performance against the annual business plan at the end of the year in the context of the targets and measures set for the annual bonus. This ensures that our executive compensation supports the strategy and that there is a direct link between pay and performance. You can read about our executive compensation program beginning on page 48.

Risk oversight

Effective risk management is critical to our success in achieving our business strategies.

The board oversees our risk profile, aiming for a proper balance between risk-taking and potential return to shareholders. The board committees help identify, assess and monitor our principal risks.

We manage our principal risks in five categories:

Strategic	The board is responsible for our strategic direction and overseeing our principal risks and the conduct of Superior to create sustainable long-term value and growth for shareholders
Financial	The audit committee assesses significant financial, derivative, IT/cybersecurity and disclosure risks and the steps that management has taken to mitigate those risks
Operational	The compensation committee oversees human resources practices, and employee and executive compensation matters as an integral part of our risk assessment process The health, safety and environment committee oversees systems, programs and initiatives aimed at promoting the management of health, safety and security at Superior and to address environmental, safety and operational risks
Compliance	The governance and nominating committee oversees governance related risks, including regulatory and other risks
Reputation	The governance and nominating committee oversees reputational risks and monitors governance rating agencies and their assessments of our risk and governance policies and procedures

Risk management is a core function at all levels of management. Management makes sure there are appropriate systems, policies and procedures in place to manage our risks. Our enterprise risk management program (ERM) provides a consistent approach to identifying and managing risk across the company, allowing for more effective decision-making and allocation of resources. The businesses monitor current and evolving operational and other risks.

Management updates the board on our principal risks at each regularly scheduled board meeting. It also reports on other enterprise-wide risks and evolving operational risks, and our policies, strategies and processes to mitigate risk.

Financial oversight

Strong financial oversight is critical to effective risk management and the success of our business.

The board approves our operating, capital and financial plans to ensure strong financial oversight. Management is authorized to incur costs and expenses within budgets and forecasts that have been approved by the board. The President and Chief Executive Officer can approve acquisitions and divestitures up to $20 million or within an amount approved by the board. He can also approve contracts, discretionary capital expenditures and new borrowing facilities up to certain limits as set out in the board's mandate.

Financial reporting and internal controls

The audit committee oversees the integrity of our financial statements and reporting, internal controls and management information systems.

The audit committee assesses any significant financial, derivative and disclosure risks, and discusses these with management, along with the steps management has taken to mitigate risk. The board reviews and approves our financial statements, MD&A, earnings releases and other material financial disclosure based on the review and recommendation of the audit committee.

Leadership development and succession

Our continued success depends in part on having the right management team in place.

We have made several external executive hires and internal promotions over the last few years to replace senior talent and better align individual skills with the culture and organizational skills we require to drive our business strategies. Our priority for the future is to use our formal management succession plan (our Talent Plan) to fill the majority of the management positions internally.

The compensation committee and the board assess our senior executives to identify strong candidates who have the potential to take on more senior roles in the future. We use leadership reviews, our performance management system and feedback from the committee and board to build development plans that focus these executives on gaining specific skills and experience to prepare them for more senior positions.

Leadership diversity

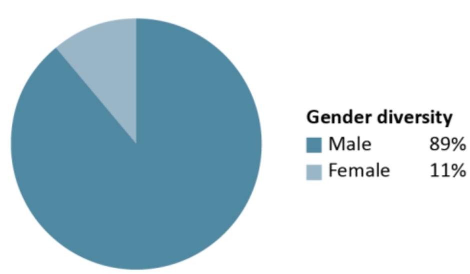
We value the importance of having a diverse leadership team because it provides richer experience and a broader perspective to leadership and decision-making.

In 2015, the governance and nominating committee began working on a broader diversity strategy for the company, working with human resources and management to review the policies and procedures in each of our businesses. It also retained an outside consultant to assist with the assessment, gather competitive market data and evaluate different diversity initiatives and practices to create a broader corporate diversity strategy that is still being developed. In 2016, this effort focused on awareness as the strategy evolved, and in 2017 we are deploying a divisional strategy in each business, which includes training for all new and existing employees, integrating diversity into our talent strategies, and regularly monitoring progress to ensure objectives are met.

We do not set targets for the level of representation of women, but management and the board evaluate internal and external candidates to assess their knowledge, experience, education and suitability for the position, while also considering factors that promote diversity. The table below shows the proportion of female executive officers at Superior and our businesses (corporate vice presidents, direct reports to the CEO and direct reports to business unit presidents):

	Number of executive officers	
as at December 31, 2016	Male	Female
Superior	7	2
Business divisions	18	1
Total	**25**	**3**

EXECUTIVE OFFICERS



Superior's Senior Vice President and Chief Financial Officer is a woman and a named executive (see page 45). Of the total number of female executives, 66.67% are executive officers.

Communications and reporting

We're committed to providing timely, full, true and plain disclosure of all material information about Superior, in compliance with legal and regulatory requirements. We disseminate good news and bad news on a timely basis so all stakeholders are kept informed and the investment community maintains realistic expectations.

Our Communication and Disclosure Policy and Practices (the policy) sets out consistent disclosure practices across the organization and designates spokespersons for the company. The policy applies to the board, senior management, other insiders, employees and consultants and others who may have access to non-public information about us.

The disclosure committee reviews all material disclosure before it is submitted to the board and committees for review and approval, released publicly or filed with regulators. The committee is also responsible for ensuring we meet all regulatory disclosure requirements and overseeing our disclosure practices. The committee includes the President and Chief Executive Officer, Senior Vice President and Chief Financial Officer, Senior Vice President and Chief Legal Officer, Vice President, Investor Relations and Treasurer and the Vice President, Finance.

Shareholder engagement

We believe it's important to meet with shareholders so they understand our strategy and to hear their questions and concerns first hand. Management continued to meet with shareholders and analysts in 2016, each quarter, at investor conferences and at our annual meeting of shareholders.

We held another 'say on pay' advisory vote for shareholders at our 2016 annual meeting because we believe it's an effective way to receive shareholder feedback on this important issue. Last year we received 93.93% support for our approach to executive compensation.

How to contact the board
You can contact the board by writing to the Chairman at our head office:

David P. Smith
Chairman of the Board
Superior Plus
401-200 Wellington Street West
Toronto, Ontario M5V 3C7

ABOUT THE DIRECTORS

Diversity

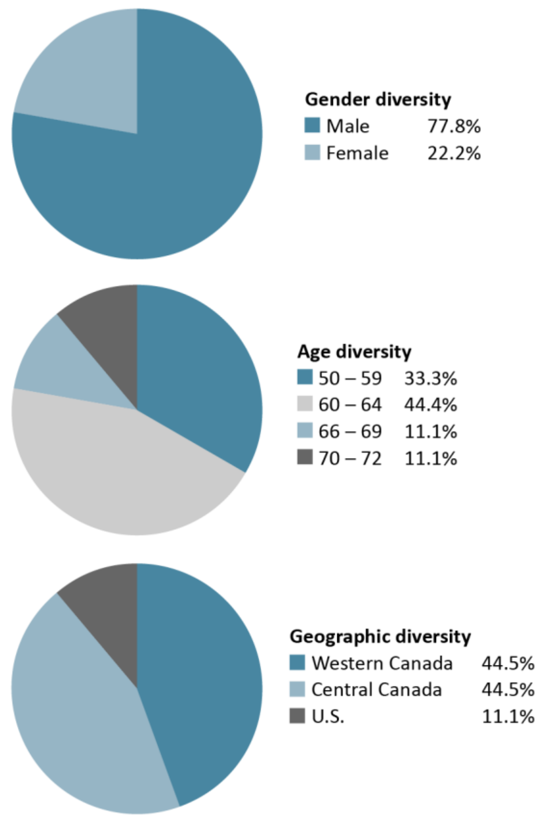
Diversity of background, experience and other attributes is valuable because it brings different perspectives for more informed decision-making.

In February 2015, we adopted a board diversity policy on the recommendation of the governance and nominating committee. Our policy is broad-based, and considers gender as well as skills, experience, education, age, ethnicity and geographic location to be important factors when assessing the composition of the board and potential candidates to fill board vacancies.

The governance and nominating committee is committed to considering all of these factors in its recruitment process so we achieve an appropriate level of diversity on the board, however merit and ensuring an appropriate balance of skills and expertise remain the overriding criteria when selecting a suitable and qualified candidate. As a result, we do not set targets for the level of representation of women on the board.

The graphs to the right illustrate the diversity of the group of nominated directors. In its search for a new director this year, the governance and nominating committee focused specifically on diversity of gender, ethnicity and geography.

BOARD PROFILE



The committee has put an increasing emphasis on board diversity and discusses the matter at least annually. The committee determines the relevant measurable objectives for promoting diversity on the board in light of the board's priorities and the skills required at that time, and makes recommendations to the board. The committee keeps the board up to date on our progress in this area.

You can read more about the board's skills on page 32 and the diversity of our leadership team on page 29.

Director skills and experience

A diverse and engaged board that has an effective mix of skills, experience and attributes is better equipped to carry out its duties.

The matrix below shows the current categories of essential skills and experience. Directors assess their level of expertise in each category every year, using the following scale:

1 – Basic level of knowledge – basic knowledge gained through day-to-day activities.

2 – Strong working knowledge – has some related managerial or board experience in the area

3 – Expert – considerable depth and breadth of experience

With the four most recent board additions, we added depth of experience in critical areas including distribution business, U.S. business, environment and safety, mergers and acquisitions, and technology.

Director	Education	Distribution business	Chemical business	Energy business	U.S. business	International business	Operational management	Governance/board	Strategic planning	Financing/capital markets	Environment and safety	Marketing/sales	Legal	Human resources/compensation	Accounting/audit	Mergers and acquisitions	Risk management	Technology
Catherine (Kay) M. Best	B.I.D., FCA, ICD.D	2	2	3	1	1	2	3	2	2	2	1	2	2	3	2	3	2
Eugene V.N. Bissell	BA, MBA	3	2	2	3	2	3	2	3	2	3	2	2	2	2	3	2	2
Richard C. Bradeen	BCom, CPA, CA	2	1	2	2	3	1	2	3	3	1	2	2	2	3	3	3	2
Luc Desjardins	MBA	3	2	3	3	2	3	2	3	2	2	3	2	2	2	3	2	2
Robert Engbloom	MBA	3	2	3	3	2	3	2	3	2	2	3	2	2	2	3	2	2
Randall J. Findlay	BASc, P.Eng, ICD.D	2	2	3	2	1	2	3	3	2	2	1	1	3	2	2	3	1
Douglas J. Harrison	MBA, CPA, CMA, ICD.D, CCLP	3	2	2	3	2	3	3	3	2	3	3	2	3	2	2	2	3
Mary B. Jordan	BA, MBA, ICD.D	2	2	2	2	2	3	3	3	1	3	2	1	3	2	2	2	2
Walentin (Val) Mirosh	BSc, MASc, LLB	2	3	3	2	2	2	3	3	1	3	1	3	2	1	2	2	2
David P. Smith	CFA, HBA	2	2	3	2	2	2	3	3	3	2	2	2	2	3	3	3	2
Directors not standing for re-election																		
Robert J. Engbloom	BA, LLB, QC	2	2	3	1	2	1	3	2	3	2	1	3	2	2	3	2	1

The governance and nominating committee has reviewed the skills matrix and is satisfied that the board is an appropriate size and that the proposed board has the appropriate combination of experience, skills and expertise to fulfill its duties and responsibilities.

Attendance

We expect directors to attend all board meetings, their committee meetings and the annual meeting of shareholders, except under extenuating circumstances. Directors can also attend the board and committee meetings by teleconference if they cannot attend in person. See page 22 for a discussion of director attendance in 2016.

Share ownership

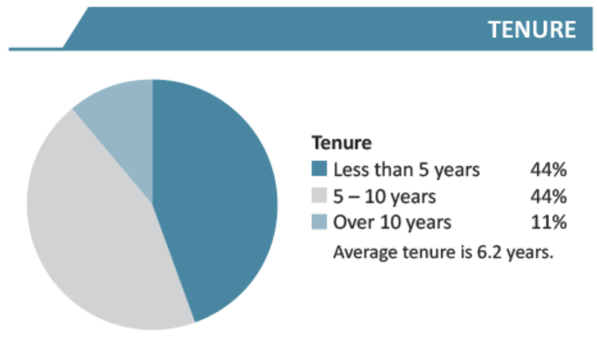
We require directors to own equity in Superior to align director and shareholder interests and so directors participate in our future success. See page 42 for details and current share ownership.

Tenure and term limits

We do not have term limits for directors but recognize that we must have an appropriate balance between longer serving directors with a deep knowledge and understanding of our business, risks and opportunities and the industry, and new directors who bring additional skills and experience and a fresh perspective.

Four new directors – including one woman – have joined the board in the last two years, resulting in a more diverse and engaged board.

The graph to the right shows the tenure of the nine nominated directors.



Retirement age

Establishing a retirement age for directors ensures an orderly succession and supports the board renewal process.

Our directors normally retire after the annual meeting that follows their 72nd birthday (the retirement age set by the board in 2011).

Existing directors who were on the board as of May 2011 were grandfathered so we could retain longer serving directors as appropriate, given our stage of development. The governance and nominating committee considers each director's situation individually and can choose to extend their term beyond the age of 72. None of this year's nominated directors has turned 72.

Interlocks and overboarding

We do not limit the number of other boards our directors can serve on, as long as they fulfill the necessary commitments to our board and the committees they serve on. The governance and nominating committee reviews the other public company directorships at least once a year to make sure that directors can meet their commitments to Superior, and in the context of external governance recommendations.

We do not currently have any board interlocks as none of the nominated directors serve together as directors or trustees of another public entity. Some directors serve on the boards of other public companies, which you can read about in the director profiles starting on page 13.

Conflicts of interest

We expect directors to be free of any conflicts of interest to preserve their integrity and the integrity of our governance process. Directors are also expected to notify the governance and nominating committee immediately if there is a change to their principal occupation, other directorships or other matters that could affect their qualifications to serve on our board.

We take extra steps to avoid any real or perceived conflicts of interest. At the beginning of each board meeting the Chairman asks directors if there are any independence or conflict of interest issues that may compromise their ability to exercise independent judgment. This is to ensure that directors consider transactions, agreements and other matters without compromise. If a director has a material interest in a material contract or transaction being considered by the board, the director discloses the nature and extent of his or her interest and leaves the meeting so the matter can be discussed and voted on by the other directors.

None of the nominated directors or our executives, or their associates or affiliates, has a direct or indirect material interest (as a beneficial shareholder or in any other way) in any item of business to be covered at the annual meeting, other than the election of directors.

Director education

We provide orientation for new directors and continuing education for all directors so they can enhance their knowledge and understanding of Superior and other skills for serving on our board. The table below sets out the structure of the two programs. It reflects enhancements we made in response to feedback from new directors and advice from external advisors.

Orientation

- The Chairman of the Board and chair of the governance and nominating committee meet with new directors to discuss the role of the board, its committees, governance, integrity and corporate values and the contribution we expect of directors
- The President and Chief Executive Officer and his direct reports discuss our strategic plan, operations, financial position, risks and risk management process, legal issues and current issues facing our business
- Directors visit our operating sites to observe the business and develop a deeper understanding of the day-to-day operations
- The board has a buddy program that pairs a new director with an experienced board member to assist with steering their participation during the new director's first term of serving on the board. The board buddy provides historical context to the business and decisions and serves as a sounding board for the new director
- New directors or nominees are invited to attend all committee and board meetings before they are elected or appointed to the board
- New directors receive an information binder that includes our articles and other documents, public disclosure documents and policies and guidelines, as well as board information such as the board and committee mandates, meeting dates, remuneration and indemnification, and relevant business and operational information. The information binder is updated as required.

Continuing education

- Directors complete an annual survey, in conjunction with the performance evaluation, to determine areas that would assist them in maximizing effectiveness. This information serves as a basis for developing the continuing education program for directors
- Management makes presentations at all regularly scheduled board meetings to update the board on our business, any changes at Superior, regulatory changes and industry developments
- Management regularly provides specific information about risks, commodity pricing, supply and demand and the current business environment for discussion
- Board dinners at each regularly scheduled meeting include educational sessions about relevant business or strategic topics, and in 2016 it included a presentation on our digitization strategy by our Vice President, IS

- External third party experts are invited to present to the board and committees on topics of specific interest
- The governance and nominating committee keeps directors informed of suitable external educational opportunities including membership in the Institute of Corporate Directors (ICD), which Superior pays for.

Ms. Best, Mr. Findlay, Mr. Harrison and Ms. Jordan have all completed the directors' education program and hold the ICD.D designation.

Director recruitment and succession

The governance and nominating committee is made up of four independent directors. It assists the board in managing an orderly succession plan and identifying suitable director candidates. The members are seasoned directors and senior executives with industry and other board experience.

Its goal is to maintain an appropriate balance of skills and experience on the Superior board. The committee reviews the skills matrix every year, to identify areas where we may need additional experience to support our strategy and growth. It then uses this information as a basis for recruiting new director candidates for the board's consideration.

In addition to knowledge, skills and experience, and an increasing focus on diversity, the board demands a high level of integrity from potential candidates. It also considers whether the candidate can devote sufficient time, energy and resources to their duties as a director, and looks for excellent communication and persuasion skills that will ensure the candidate can actively and constructively participate in board discussions and debate. The board, on the recommendation of the governance and nominating committee, approves a director candidate for nomination or appointment based on all of these criteria and, above all, merit.

The committee has the authority to hire a professional search firm to assist in identifying and screening qualified candidates, and worked with an external consultant in 2015 to review our board assessment process, and to assess the diversity of board skills. The consultant made recommendations to enhance the board succession plan that were used by the committee to recruit new directors in 2015.

Chairman of the Board succession

The governance and nominating committee is responsible for establishing a succession plan for the Chairman of the Board. This includes identifying potential candidates who have demonstrated strong leadership skills, facilitate discussion on different perspectives and have a solid understanding of our business. Where appropriate, the committee recommends a suitable candidate to the board and the directors vote on electing a new Chairman of the Board. The committee recommended the appointment of our current Chairman of the Board, David Smith, on August 6, 2014.

If the Chairman of the Board position suddenly becomes vacant and there are no suitable candidates, the chair of the governance and nominating committee will be appointed acting Chairman until a new Chairman of the Board is elected.

Committee memberships

The governance and nominating committee assesses the composition of each committee after each annual meeting when the new board is elected, when new directors are added to the board, and from time to time to make sure the mix of skills and individuals is appropriate for the committee. The committee makes recommendations to the board about appointing, removing or replacing committee members and committee chairs.

Board assessment

The governance and nominating committee typically leads a full assessment of the board every year that includes the performance and effectiveness of the board, committees, Chairman of the Board, committee chairs and individual directors.

In 2016 we refined the evaluation process to include a comprehensive survey completed by all directors and individual meetings with the Chairman of the Board or chair of the governance and nominating committee.

The survey is confidential and has three parts:

- a section on the responsibilities, operations and effectiveness of the board
- a self-assessment which asks directors to rate themselves on a scale of one to three (opportunity for improvement, meets basic expectations or ahead of basic expectations) on their understanding of board matters and participation
- the skills matrix for directors to grade their knowledge in each area (basic level of knowledge, strong working knowledge, expert or not applicable).

The survey also has open-ended questions about improving board and committee effectiveness to encourage directors to give candid feedback and constructive comments.

Individual interviews with the Chairman of the Board or committee chairs are conducted in person or by phone. These sessions give directors an opportunity to expand on their survey responses, address other issues not covered in the survey or ask other questions, and to discuss their interest in continuing to serve on the board. The board assesses the Chairman of the Board bi-annually. The chair of the governance and nominating committee interviews and solicits comments from the other members of the board on the performance of the Chairman of the Board. Each committee also reviews its mandate every year and assesses its performance against criteria in the board and committee mandates.

The survey and interview results are tabulated and analyzed, and a report is prepared by the Chairman and committee chairs for distribution in a board package. The report is reviewed by the board and each committee at their next meeting including any recommendations for change as appropriate. The governance and nominating committee follows up on any recommended changes and updates the board as appropriate.

The governance and nominating committee worked with an external consultant in 2015 to develop a more in-depth board assessment process. The advisor conducted interviews with each director and senior management to provide more insights to the committee and to help with analyzing and assessing the functioning of the board, individual directors and committees and their interactions with management.

2016 COMMITTEE REPORTS

Audit committee

> Catherine (Kay) M. Best (chair) > Eugene V.N. Bissell > Richard C. Bradeen > Randall J. Findlay > Douglas J. Harrison	The audit committee assists the board in fulfilling its financial reporting and control responsibilities to our stakeholders and oversees the external auditor, internal controls and management information systems, risk management and internal audit. All members of the audit committee are financially literate and independent under applicable Canadian laws and securities exchange rules (see page 24). The committee met four times in 2016. It has reviewed and approved this report and is satisfied that it has carried out all of the responsibilities required by the committee mandate.

Key responsibilities	Key activities
Oversee the integrity of our financial information and reporting systems	> Reviewed core disclosure documents > Reviewed our internal control framework and recommended it to the board for approval
Evaluate the performance, qualifications and independence of the external auditor	> Reviewed the 2016 audit plan and recommended the reappointment of Deloitte as our external auditor until the close of our 2017 annual meeting of shareholders > Confirmed the independence of the external auditor and reviewed its performance for the year > Recommended all services provided by external auditor
Oversee the effectiveness of our internal controls over financial reporting, and compliance with legal and regulatory requirements	> Approved the internal audit charter and organization structure > Approved the internal audit plan and compliance budget for 2017 > Reviewed reports on our compliance with applicable laws and securities regulations
Review our material risks, including our assessment process and risk mitigation plans	> Reviewed the effectiveness of our enterprise risk management system and practices, including financial, commodity, business continuity, information technology and cyber risks > Monitored implementation of information technology projects at Superior Propane > Reviewed significant legal actions > Reviewed tax assessments and monitored the risk of reassessment > Confirmed the adequacy of our insurance program
Review major financial transactions	> Approved a cross-border financing structure in Luxembourg > Recommended that the company suspend the dividend reinvestment plan and redeem the $150 million convertible debentures at 6%
Ensure our governance policies are consistent with best practices	> Approved amendments to Whistleblower Policy > Reviewed our accounting practices and policies > Approved our delegation and authority levels > Reviewed the audit committee mandate and evaluated the committee’s performance

The committee also met *in camera* with the external auditor and internal audit at each regularly scheduled meeting. We have cross-membership between the audit committee and each of the other committees as a good governance practice.

Governance and nominating committee

> Randall J. Findlay (chair) > Catherine (Kay) M. Best > Mary B. Jordan > David P. Smith	The governance and nominating committee is responsible for corporate governance, recruiting director candidates and board assessment. The committee met eight times in 2016. It has approved this report and the governance disclosure in this circular. It reviewed its mandate and is satisfied that it has carried out all of the responsibilities required by the committee mandate.

Key responsibilities	Key activities
Develop effective corporate governance policies and procedures	> Reviewed our governance practices, assessing them against regulatory developments, governance trends and third party reports on our governance > Completed further review of a broad management diversity initiative > Reviewed our code of business conduct and ethics and monitored compliance > Reviewed our anti-corruption, privacy, disclosure, confidentiality and insider trading policies and amended as appropriate
Manage board renewal and succession	> Reviewed the composition of the board and committees > Reviewed the board's skills matrix to ensure an appropriate mix of diverse skills and experience > Reviewed RFPs and retained external advisors to assist with identification of potential director recruits > Recruited two new directors for election > Commenced recruitment of a new director for succession in 2017 > Engaged with institutional shareholders in response to director nominee recommendation > Strengthened committee membership by increasing number of members from three to four, where appropriate > Monitored director independence, conflict of interest matters, interlocking directorships and overboarding > Considered age, gender and tenure of board members, particularly as these relate to succession planning
Develop and oversee the board assessment process	> Reviewed the mandates of the board and committees, and position descriptions for committee chairs and the chief executive officer > Worked with recommendations from an independent consultant to refine the board assessment process
Coordinate director orientation and continuing education	> Implemented the continuing education program for directors in 2016

The committee met *in camera* without management present at each regularly scheduled meeting. We have cross-membership between the governance and nominating committee and each of the other committees as a good governance practice.

Compensation committee

> Mary B. Jordan (chair) > Richard C. Bradeen > Walentin (Val) Mirosh > David P. Smith	The compensation committee oversees our human resources policies, pension matters, management succession and development, CEO objectives and performance reviews and CEO and other executive compensation. It also approves our compensation disclosure. The committee met six times in 2016. It has approved this report and the compensation disclosure in this circular and reviewed its mandate and is satisfied that it has carried out all of the responsibilities required by the committee mandate.

Key responsibilities	Key activities
Oversee our compensation programs and plan designs to ensure they support our strategy and pay for performance	> Reviewed our human resources and compensation policies > Reviewed the results of the 2016 say-on-pay advisory vote, and recommended to the board to hold another advisory vote on executive compensation in 2017 > Reviewed the competitiveness of executive pay and the compensation peer group to benchmark executive compensation > Reviewed the variable compensation plan designs to confirm they do not encourage inappropriate risk-taking > Reviewed the metrics for the incentive plans to make sure they are appropriate and aligned with business objectives > Reviewed and recommended changes to equity-based compensation plans to align with various business objectives, the market and to ensure Canadian and U.S. tax compliance > Recommended 2017 performance objectives and targets for each executive's annual bonus to the board for review and approval > Monitored pension, compensation and governance trends and legislative changes
Assess performance and recommend compensation decisions for the senior executive team	> Assessed corporate and individual performance under the annual bonus plan and recommended payouts to the board > Ensured the compensation arrangements for the CEO and senior management team align with our strategic goals and allow us to attract and retain executive talent > Revised employment agreements for the new direct reports of the CEO > Approved a clawback policy for incentive awards
Oversee management succession	> Reviewed the performance of the executive team and development plans for internal talent who have the potential to take on more senior roles in the future > Identified areas for enhancing leadership development
Oversee the governance of employee pension plans	> Reviewed the financial position of our pension plans and activities of the management pension review committee > Reviewed the ERCO Defined Contribution Salaried Pension Plan and proposed an amendment to align the plan more closely with market practice
Oversee the director compensation program	> Reviewed director compensation to ensure it stays competitive with the market and relevant to our needs

The committee receives independent advice on compensation matters from Mercer (Canada) Limited, which has acted as an independent advisor since November 2012. The committee must approve any services Mercer provides to management.

The committee met in private with its independent advisor throughout the year. We have cross-membership between the compensation committee and each of the other committees as a good governance practice.

Health, safety and environment committee

> Walentin (Val) Mirosh (chair) > Eugene V.N. Bissell > Robert J. Engbloom > Douglas J. Harrison	The health, safety and environment committee oversees systems, programs and practices for managing health, safety, security and environmental risk. The committee met four times in 2016. It has approved this report and reviewed its mandate and is satisfied that it has carried out all of the responsibilities required by the committee mandate.

Key responsibilities	Key activities
Develop a health, safety and environmental culture that complies with best practices, including industry standards and applicable laws	> Reviewed our procedures to ensure they comply with applicable laws and industry standards, and prevent and mitigate loss > Monitored reports on best practices > Reviewed annual safety plans developed and presented by management
Assess our health, safety and environmental performance	> Received quarterly reports from management on health, safety and environmental performance across all business units, including performance against objectives > Reviewed new initiatives, focusing on our planned response to significant sustainability risks > Reviewed reports on health, safety and the environment, including core audit and Responsible Care reports > Reviewed our emergency response, disaster recovery and business continuity plans
Set safety targets for all the business units that are connected to executive compensation	> Recommended safety targets to the compensation committee for incorporation into our executive compensation plans > Worked with management to set appropriate safety benchmarks for each business unit
Identify and mitigate health, safety and environmental risks	> Reviewed the health, safety and environmental components of all material merger and acquisition activities > Assessed the investigation into the overpressurization of ERCO Worldwide's North Vancouver reactor and our remedial actions > Evaluated our risk profile for the production, handling and transportation of hazardous materials > Reviewed court decisions on standards of care and diligence > Reviewed proposed public policy, legislation and regulations relating to health, safety and the environment that would impact our business, focusing on climate change
Oversee our regulatory compliance and public disclosure	> Reviewed our corporate social responsibility mandate and reporting

The committee also met *in camera* without management at each regularly scheduled meeting. We have cross-membership between the health, safety and environment committee and the audit and compensation committees as a good governance practice.

DIRECTOR COMPENSATION

The Superior director compensation program has three objectives:

- attract and retain highly qualified board members by providing market competitive compensation that recognizes their increasing responsibilities, time commitment and accountability
- appropriately reflect the risks, size and complexity of the businesses
- align the interests of the directors with shareholders.

The board approves the form and amount of director compensation on the recommendation of the compensation committee. Total director compensation is targeted at or near the 50th percentile of our compensation peers (the same peer group we use for executive compensation – see page 53 for details).

The committee regularly reviews the director compensation program to make sure it continues to meet its objectives, and to confirm that the objectives continue to be appropriate. The last review was in 2015. The committee retained Mercer for a formal review, which advised that total director compensation was below the median. The committee recommended and the board made the following changes to director compensation as a result:

- increased the equity-based retainer effective October 29, 2015
- increased the board retainer effective January 1, 2016.

Non-executive directors receive cash and equity retainers for serving on the board, as listed in the fee schedule below. The board and committee retainers are paid in quarterly installments. The President and CEO does not receive director fees because he is paid in his role as an executive (see page 45). All U.S. resident directors receive their fees in U.S. dollars.

2016 fee schedule for non-executive directors	Cash
Annual board retainer	
(can be paid in cash, as DSUs, or a combination)	
> Chairman of the Board	$145,000
> Directors	$40,000
Annual committee retainer	
> Chairman of the Board	–
> Audit committee chair	$17,000
> All other committee chairs	$10,000
> Directors	$5,000
Board and committee meeting attendance fees	
> Chairman of the Board	–
> Audit committee chair	$2,000
> All other committee chairs	$2,000
> Directors	$1,500

	Equity (value awarded once a year as DSUs)
> Chairman of the Board	$145,000
> Directors	$80,000

EQUITY OWNERSHIP

All non-management directors are required to own equity in Superior equal to three times the total of their annual cash board retainer plus their equity retainer. The President and CEO is required to meet our equity ownership requirements for executives, which you can read about on page 55.

	Equity ownership required	Time to meet the requirement
Chairman of the Board	$870,000	Directors have to meet the requirement within five years of being appointed to the board (or by July 1, 2018 if appointed before July 1, 2013)
Other non-management directors	$360,000	

The table below shows each director's equity holdings in 2015 and 2016. Common shares and DSUs both qualify, and the total is calculated using the market value or the issue price (whichever is higher). As of December 31, 2016, all of the directors had either met or were on track to meet their equity ownership requirement.

	December 31, 2015		December 31, 2016		Net change		Value as at December 31, 2016	Meets equity ownership requirement
	Common shares (#)	DSUs (#)	Common shares (#)	DSUs (#)	Common shares (#)	DSUs (#)		
Catherine (Kay) M. Best	7,000	33,396	7,000	42,491	–	9,095	$631,010	Yes
Eugene V.N. Bissell	8,572	18,781	15,972	29,229	7,400	10,448	$576,313	Yes
Richard C. Bradeen	10,000	11,704	10,000	22,871	–	11,167	$419,105	Yes
Randall J. Findlay	20,000	38,515	20,000	49,767	–	11,252	$889,529	Yes
Douglas J. Harrison	9,600	9,785	9,600	17,283	–	7,498	$342,758	On track
Mary B. Jordan	5,000	20,769	5,000	32,562	–	11,793	$478,916	Yes
Walentin (Val) Mirosh	8,000	32,909	8,000	42,004	–	9,095	$637,551	Yes
David P. Smith	68,598	46,350	72,859	61,917	4,261	15,567	$1,718,394	Yes
Directors not standing for re-election								
Robert J. Engbloom	17,353	42,130	17,353	51,862	–	9,732	$882,491	Yes

About DSUs

The board adopted a DSU plan for non-employee directors in 2011 to promote equity ownership and align the interests of directors with our shareholders. Directors can receive DSUs in three ways:

- their annual equity retainer is paid in DSUs
- they can choose to receive some or all of their annual cash board retainer as DSUs
- the board can use its discretion to approve one-time grants of DSUs.

We calculate the number of DSUs awarded by dividing the amount of the retainer or award (after deducting withholding taxes) by the five-day volume weighted average price of our common shares starting on the second day after the award date (or the day after the end of a blackout period).

DSUs are credited to a notional account. They vest immediately, earn dividend equivalents and are paid out in cash only after the director ceases to be a director of the company. We calculate the cash payout by multiplying the number of DSUs by the five-day volume weighted average price of our common shares immediately before the payment date.

Directors can elect to receive the cash payment on two payment dates starting 90 days after leaving the board, and ending on the last business day of the calendar year after the year the director leaves the board. If a director dies, the payment date will be the date of death, and the cash will be paid to the director's estate 30 days after we are notified of his or her death.

DIRECTOR COMPENSATION TABLE

The table below shows the total amount paid to the non-executive directors in 2016. Mr. Desjardins does not receive fees for serving as a director – please turn to page 45 for information about his compensation as President and CEO.

	Cash retainer				Equity Retainer[1] ($)	Travel Expenses[2] ($)	All other compensation ($)	Total Compensation ($)
	Board ($)	Percent received as DSUs	Committee ($)	Meeting fees ($)				
Catherine (Kay) M. Best	40,000	–	22,000	38,000	80,000	14,114	–	194,114
Eugene V.N. Bissell[3]	46,514	–	11,629	35,437	107,296	9,306	–	210,182
Richard C. Bradeen[4]	40,000	100%	10,000	34,500	80,000	8,114	–	172,614
Robert J. Engbloom	40,000	–	5,000	24,000	80,000	11,881	–	160,881
Randall J. Findlay	40,000	50%	15,000	40,000	80,000	19,767	–	194,767
Douglas J. Harrison	40,000	-	10,000	30,000	80,000	1,923	–	161,923
Mary B. Jordan	40,000	100%	15,000	42,000	80,000	25,033	–	202,033
Walentin (Val) Mirosh	40,000	–	15,000	33,500	80,000	5,885	–	174,385
David P. Smith	145,000	–	–	–	145,000	7,923	–	297,923
							Total	**1,768,822**

1 The number of DSUs was determined by dividing the retainer amount by $11.84 (the five-day weighted average price of our common shares starting on the second day after the award date (October 27, 2016). Does not include the portion of the cash retainer taken as DSUs.

	Number of DSUs awarded
David P. Smith (Chairman of the Board)	12,242
Eugene V.N. Bissell	9,059
All other non-executive directors	6,754

2 Includes out-of-pocket expenses in connection with attending board and committee meetings.

3 Mr. Bissell started receiving his cash and equity retainers in U.S. dollars as of August 8, 2016. His September 30 and December 30 cash retainers were converted to Canadian dollars using the following noon exchange rates:
- US$1 = $1.3117 on September 30, 2016
- US$1 = $1.3397 on December 15, 2016

His equity retainer was converted to Canadian dollars using the noon exchange rate on the grant date:
- US$1 = $1.3412 on November 4, 2016

4 Includes fees paid for attending our Annual Investor Day.

DIRECTOR OUTSTANDING SHARE-BASED AND OPTION-BASED AWARDS

The table below shows the value of DSUs owned by the directors as at December 31, 2016. This includes DSUs directors chose to receive in place of their cash retainer. We calculated the value of DSUs by multiplying the number of units each director held on December 31, 2016 by $12.75, the closing price of Superior common shares on the TSX on December 30, 2016. DSUs include additional units received as dividend equivalents.

	Option-based awards				Share-based awards		
	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of share-based awards not paid out or distributed ($)
Catherine (Kay) M. Best	–	–	–	–	–	–	541,760
Eugene V.N. Bissell	–	–	–	–	–	–	372,670
Richard C. Bradeen	–	–	–	–	–	–	291,605
Robert J. Engbloom	–	–	–	–	–	–	661,241
Randall J. Findlay	–	–	–	–	–	–	634,529
Douglas J. Harrison	–	–	–	–	–	–	220,358
Mary B. Jordan	–	–	–	–	–	–	415,166
Walentin (Val) Mirosh	–	–	–	–	–	–	535,551
David P. Smith	–	–	–	–	–	–	789,442

DIRECTOR INCENTIVE PLAN AWARDS – value vested or earned during the year

The table below shows the value of the DSUs vested or earned in 2016. It does not include DSUs directors chose to receive instead of their cash retainer.

	Option-based awards – value vested during the year ($)	Share-based awards – value vested during the year [1] ($)	Non-equity incentive plan compensation – value earned during the year ($)
Catherine (Kay) M. Best	–	80,000	–
Eugene V.N. Bissell[1]	–	107,296	–
Richard C. Bradeen	–	80,000	–
Robert J. Engbloom	–	80,000	–
Randall J. Findlay	–	80,000	–
Douglas J. Harrison	–	80,000	–
Mary B. Jordan	–	80,000	–
Walentin (Val) Mirosh	–	80,000	–
David P. Smith	–	145,000	–

[1] The value of Mr. Bissell's share-based awards that vested during the year was converted to Canadian dollars using the noon exchange rate on the grant date: US$1 = $1.3412 on November 4, 2016.

EXECUTIVE COMPENSATION

EXECUTIVE SUMMARY

The board, assisted by the compensation committee, is responsible for reviewing and overseeing executive compensation at Superior, and for approving what the CEO and the senior executives, including the named executives, are paid.

This section of our circular tells you how we:
- develop our compensation strategy – see page 48
- make compensation decisions – see page 49
- manage compensation risk – see page 50
- benchmark compensation against our peers – see page 53
- align compensation with performance and shareholders – see page 54.

It also tells you about the compensation program in detail, and what our compensation decisions were for 2016 – see page 56.

Our named executives for 2016

This year's named executives include the President and Chief Executive Officer, the Senior Vice President and Chief Financial Officer, and our three most highly paid executives.

Luc Desjardins, President and Chief Executive Officer
Mr. Desjardins joined Superior in 2011. Before joining the company, he was an operating partner of the Sterling Group LLP, a private equity firm. He also served as President and CEO at Transcontinental Inc. from 2004 to 2008 and as COO from 2000 to 2004. He holds a Masters of Business Administration from the University of Quebec and has taken the Harvard Business School Management Development Program.

Beth Summers, Senior Vice President and Chief Financial Officer
Ms. Summers joined Superior on November 23, 2015, and was promoted to Senior Vice President on September 1, 2016. Before joining the company, she was Chief Financial Officer of Ontario Power Generation and Chief Financial Officer of Just Energy Group Inc. Ms. Summers has also held many senior executive and management positions focusing on strategy, financing, mergers and acquisitions, tax planning, compliance, risk management, treasury and supply chain operations. She is a Chartered Professional Accountant (CPA, CA), and has a Bachelor of Business Administration from Wilfrid Laurier University.

Greg L. McCamus, President, Energy Distribution and Superior Propane

Mr. McCamus joined Superior Energy Management as President in 2005 and became President of U.S. Refined Fuels in 2008 before being appointed President, Energy Services and Superior Propane in 2012. Before joining Superior Energy Management, he was President of Sprint Canada Business Solutions and held various executive positions within the deregulated telecom industry over a 20-year period. He has a Bachelor of Arts and a Masters of Business Administration.

Ed Bechberger, President, Specialty Chemicals

Mr. Bechberger was appointed as President of Specialty Chemicals on January 1, 2015. He joined the Specialty Chemicals Business (ERCO Worldwide) in 1980 and has held various executive positions (most recently Senior Vice President of Operations). He has commissioned over 30 chlorine dioxide chemical plants around the world and is an inventor holding several patents. He has a Bachelor of Technology in Chemical Engineering.

Darren Hribar, Senior Vice President and Chief Legal Officer

Mr. Hribar joined Superior as Chief Legal Officer and General Counsel in 2015 and was promoted to Senior Vice President and Chief Legal Officer on September 1, 2016. Before that he was a partner with Norton Rose Fulbright Canada LLP, an international legal practice. Mr. Hribar has a Bachelor of Arts, Political Science (Distinction) from the University of Lethbridge and an LLB from the University of Alberta. He was admitted to the Alberta bar in 1997.

2016 compensation decisions

Total compensation for the named executives is higher than 2015, reflecting Superior's stronger performance against our objectives for the year. Between 60% and 70% of executive compensation is variable, and depends on our performance. The difference in total compensation includes an increase of approximately $1.1 million in annual bonuses, mainly because we surpassed our 2016 target AOCF per share and four of our five businesses met or exceeded their 2016 annual EBITDA targets. It also includes an additional $0.24 million related to the increase in our common share price between the date long-term compensation awards are approved and the effective grant date. Last year, our AOCF per share and the annual EBITDA for our Chemicals and US Refined Fuels businesses were below the threshold for the annual bonus, resulting in bonuses well below target – and lower total compensation – for several named executives.

You can read about each named executive's compensation this year starting on page 56.

Changes to the compensation program

The compensation committee regularly reviews the executive and director compensation programs against compensation trends, market analysis, compensation risk, succession planning and our corporate strategy, and recommends changes to the board for approval. This year the board approved the following changes to the compensation program:

Simplified the long-term incentive plan to prevent delays in payouts, align outcomes under PSUs for all participants and keep our reporting consistent: > payments of RSUs and PSUs are now made on fixed dates without any deferrals > TSR values are determined at set times without any deferral due to blackout periods.	page 60
Changed long-term incentive compensation targets for key senior executives: targets are now ranges that vary by role, rather than a fixed percentage of base salary. This increases executives' long-term target opportunity levels and enhances the retention value of the plan while keeping total direct compensation within market. The changes also give the compensation committee more flexibility when determining awards.	page 60
Added a clawback policy: compensation that executives have been awarded or paid can be clawed back at the board's discretion when there is misconduct that results in overpayment, whether or not there is a restatement of our financial statements.	page 51
The compensation committee is also responsible for director compensation, and this year we made some **administrative changes to the deferred share unit plan for directors**: we eliminated the delay on settlement of DSUs and addressed changes in legislation to ensure compliance with Canadian and U.S. securities and tax laws.	page 42

STRATEGY AND APPROACH

Our vision is to be the leader in creating value through differentiation and best-in-class operation in each of our business segments.

Our Evolution 2020 strategy is helping us achieve this vision. It has four areas of focus:
> **growth** – increasing our sales organically and by acquisition
> **customers** – focusing on bringing value to our customers in all aspects of our businesses
> **safety** – consistently improving the operating performance of each business to provide a safe working environment, reduce costs and ensure best-in-class efficiency
> **culture** – creating an environment where employees can succeed and that encourages accountability, execution and continuous improvement.

Compensation approach

To achieve our vision and meet our strategic objectives, we need to continue to build talent bench strength and best-in-class functional and operational expertise, and ensure we have the ability to attract, develop and retain key talent.

Executive compensation has three core principles designed to help us achieve that goal:
> **make compensation competitive** – target total compensation at the 50th percentile of the market and provide adequate retention programs and reasonable benefits to attract, motivate and retain highly qualified and top performing executives. The board will award higher than the 50th percentile for outstanding performance
> **pay for performance** – reward the achievement of a combination of specific corporate and individual short- and long-term goals to encourage the achievement of our strategy and sustained strong performance
> **align the interest of executives with our shareholders** – make a significant portion of compensation variable and at risk, and require executives to own a significant amount of equity in Superior.

COMPENSATION GOVERNANCE

The board is responsible for reviewing and overseeing executive compensation, and for approving what the CEO and the senior executives, including the named executives, are paid.

The compensation committee helps the board carry out these responsibilities. The four directors who sit on the compensation committee have extensive experience in executive compensation and risk management through their experience as senior leaders of diverse organizations. Turn to page 39 for information about the committee and its key activities this year, and to page 32 for qualifications of the committee's directors.

Disciplined decision-making process

Compensation decision-making involves four steps:

1. Review compensation program and succession plan

The compensation committee reviews:

> human resources and compensation philosophies and policies
> compensation trends, market analysis and competitiveness of our executive compensation program
> peers we use for benchmarking
> incentive plan design
> compensation risk
> equity ownership guidelines
> CEO position description
> the engagement of an independent compensation consultant
> management succession plan and talent management plans, and recommends appointments of corporate officers
> employment agreements for the named executives
> other material compensation programs.

The committee recommends any changes to our executive compensation program to the board for approval.

2. Set compensation targets

The compensation committee:

> assesses total compensation compared to the market for the CEO and his direct reports, including the named executives

> reviews the CEO's assessment of compensation for his direct reports including their individual performance, contribution and strategic value to the company's future plans

> reviews the individual goals for the CEO and each of the CEO's direct reports

> recommends any adjustments to target compensation for the coming year.

3. Set performance targets

The compensation committee and the board:

> set the financial performance measures for the annual bonus and long-term incentive plan for the upcoming year based on the annual budget and market reviews

> approve the individual goals for the CEO and each of the CEO's direct reports, including the qualitative performance measures for the annual bonus.

4. Assess performance and approve awards

The compensation committee and the board:

> assess the performance and year-end results of the company and each business

> assess the individual performance of the CEO and each executive against the qualitative and financial performance measures for the annual bonus

> determine the annual bonus and individual bonuses for the CEO and named executives

> approve grants of long-term incentive awards

> approve goals for the following year.

Managing compensation risk

The compensation committee integrates compensation risk management into the compensation philosophy, executive compensation design, planning and process.

Compensation approach

> The executive compensation program is market-based and aligned with our annual business and long-term strategic plans.

> The compensation package for officers and senior employees includes fixed and variable components to balance the level of risk taking, while focusing on generating long-term and sustainable value for shareholders.

> Compensation policies and practices at our principal business units and subsidiaries are substantially the same as those for all of our executive officers.

> A significant portion of compensation awarded is at risk.

Incentive plan design

> A significant portion of incentive compensation is linked to our share price and shareholder return and paid out over time to align with shareholder interests.

> Performance measures and targets are predetermined, linked to our corporate strategy, financial risk and management process, and monitored throughout the year.

> Annual bonus plan payouts have minimum performance thresholds and are capped.

> Long-term incentive awards are only paid upon achievement of performance objectives.

Equity ownership requirements

The named executives and certain senior executives are required to own equity in Superior based on their level, to strengthen the alignment with shareholders.

Use of discretion

The compensation committee and the board can use discretion to adjust the amount of the incentive compensation, financial performance and the weightings of specific financial targets and key objectives if there are:

- unusual business environment challenges in which the results were achieved
- extraordinary, unusual or non-recurring items, or
- performance that was not contemplated in a named executive's individual objectives.

Hedging

Directors, officers, and anyone we employ or retain is prohibited from short-selling our securities. Our insider trading policy explicitly prohibits our directors and officers from hedging equity-based compensation awards and securities they hold as part of their equity ownership requirements.

Clawback and forfeiture

- We introduced a new clawback policy in 2016: compensation that executives have been awarded or paid can be clawed back at the board's discretion when there is misconduct that results in overpayment, whether or not there is a restatement of our financial statements.
- Executives who resign or are terminated for cause also forfeit all undeclared bonuses and unvested long-term awards.

Independent advice

The committee works with an independent advisor for advice and consulting related to executive and director compensation, and has retained Mercer (a wholly-owned subsidiary of Marsh & McLennan Companies, Inc.) since November 2012. Mercer reports directly and exclusively to the committee. The committee has to pre-approve any services Mercer provides to management.

Mercer's services in 2016 included:

- reviewing the CD&A in Superior's 2016 management information circular
- reviewing the structure and mechanics of Superior's long-term incentive plan
- advising on the competiveness and appropriateness of compensation for the CEO and other top executive officers
- advising on the adoption and implementation of a clawback policy
- attending four compensation committee meetings.

The Committee also holds an *in camera* meeting with Mercer and all the members of the compensation committee.

The committee takes Mercer's information and recommendations into consideration, but uses its own judgment when making compensation decisions.
The committee is confident that the advice it receives from Mercer's compensation consultant is objective for the following reasons:

- Mercer has clear professional standards that prevent conflicts of interest:
  - the consultant does not receive any incentive or other compensation based on fees Mercer or any of its affiliates charges to Superior for other services
  - the consultant is not responsible for selling to Superior any other services offered by Mercer or any of its affiliates
  - the consultant provides advice and recommendations without considering any relationships Mercer or any of its affiliates may have with Superior

- The committee has strict protocols in place for ensuring independence:
  - the consultant has direct access to the committee without management intervention
  - the consultant can only interact with management for information gathering and during presentations if the committee feels it is necessary to provide context for recommendations – otherwise the committee receives the consultant's advice and recommendations without management present
  - the committee has the sole authority to retain and terminate the consultant
  - the committee evaluates the quality and objectivity of the services provided by the consultant every year, and decides whether to continue to work with them
  - the committee receives advice on compensation design from independent external legal counsel.

Fees

The table below lists the fees paid to consultants in 2015 and 2016.

	2015	2016
Executive compensation-related fees Fees paid to Mercer for executive and director compensation services provided to the committee	$121,663	$105,905
Compensation-related fees (general) Fees paid to Mercer for general advice related to compensation and benefits, including annual survey data and consulting services related to employee compensation and human resources matters	$4,755	$19,263
All other fees Fees paid to Marsh Canada for corporate risk insurance and related risk consulting services. Marsh Canada, a separate independent operating company owned by Marsh & McLennan, has been retained by management since 2014 to act as the broker for the company's corporate insurance program. The committee does not pre-approve the services Marsh Canada provides.	$354,090	$355,604
Total fees	$480,508	$480,772

BENCHMARKING

We benchmark total direct compensation, pay mix, and targets for the annual bonus and long-term incentive awards against data from Canadian and U.S. industry surveys, and our compensation peer group, adjusting for roles, merit and general market movements.

Superior operates in a wide range of industries, which makes finding a group of peer companies challenging. We developed our first peer group in 2013, working with Mercer, and then adjusted the group in the third quarter of 2015, again working with Mercer, to make it a better reflection of our business.

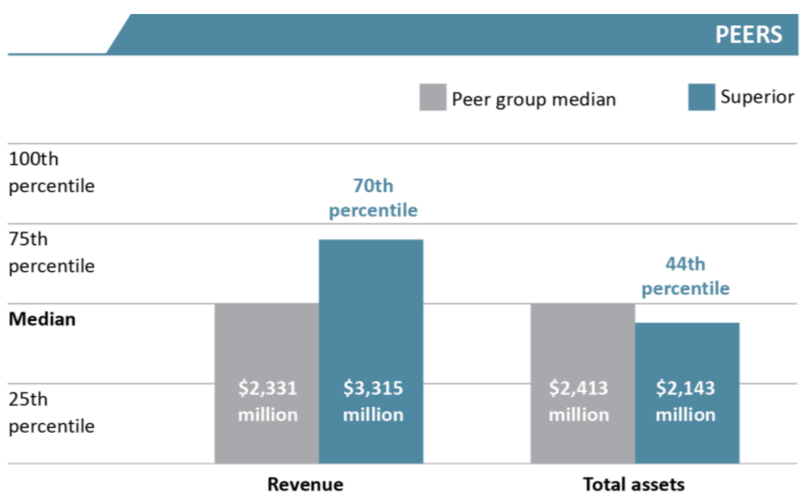
The peer group now includes 15 companies from Canada and the U.S.: seven oil and gas companies, seven chemicals and distribution companies, and one trading and distribution company, all selected because they are similar in size, scope and industry. The committee used this peer group to establish 2016 target compensation for the CEO and the named executives.

Oil and gas energy services
- Mullen Group Ltd
- Shawcor Ltd
- Calfrac Well Services Ltd
- Trican Well Service Ltd
- Keyera Corp
- Parkland Fuel Corp
- Gibson Energy Inc

Chemicals and distribution
- Methanex Corp
- Chemtrade Logistics Inc
- Finning International Inc
- Toromont Industries Ltd
- Progressive Waste Solutions
- Transforce Inc
- Capital Power Corp

Trading and distribution
- Russell Metals Inc

The chart to the right shows the size of the companies in the new peer group by revenue and total assets, and Superior's relative position against these criteria as of December 31, 2015.



TOTAL COMPENSATION APPROACH

The compensation package for officers and senior employees, including the named executives, includes an annual salary, an annual bonus, long-term incentives and a benefits program.

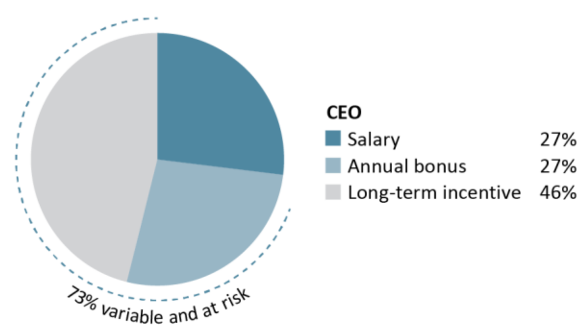
		Form	Performance period	Objectives
Total direct compensation				
1. Salary	Fixed	Cash	1 year	> Provide a fixed level of income > Attract and retain talent
2. Annual bonus	Variable	Cash	1 year	> Reward contribution to overall performance > Focus executives on annual corporate and individual goals > Attract and retain talent
3. Long-term incentive	Variable	> Restricted share units > Performance share units	3 years	> Reward medium and long-term performance > Focus executives on longer-term operating and financial performance, and long-term shareholder return > Attract and retain talent
Other compensation				
Pension and other benefits Health, dental, savings, pension, life insurance and long-term disability programs (evaluated for each business and set at competitive rates)				> Provide a degree of security > Provide market competitive benefits > Attract and retain talent > Benefits are available to all salaried employees and the majority of hourly employees

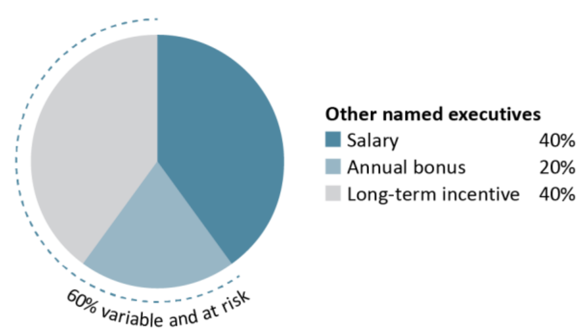
Aligned with performance

A significant portion of total compensation is *at risk*, to align compensation with performance and risk over time. The actual mix of components depends on the executive's level. Generally, the higher the level of responsibility, the greater the proportion of total target compensation that is linked to performance.

The graphs to the right show the 2016 target mix for the CEO and the other named executives.

TARGET COMPENSATION MIX





Aligned with shareholders

A significant proportion of total compensation is made up of long-term incentives that are linked to our total return and share price performance. This, combined with our equity ownership requirements for executives, focuses senior executives on generating long-term and sustainable value for our shareholders.

Equity ownership requirements

The named executives and other senior executives are required to own Superior equity based on their position:

	Total equity ownership required	Minimum amount to be held in common shares	Time to meet the requirements
President and CEO	**4.5x** annual salary	2x annual salary	Within five years of being appointed to the role, or three years from the time of a salary increase
Corporate executive vice president and CFO	**3.0x** annual salary	1x annual salary	
Business presidents	**3.0x** annual salary	1x annual salary	
Certain corporate vice presidents	**1.5x** annual salary	0.5x annual salary	

Common shares, RSUs and PSUs all count toward meeting the total equity requirement, but executives have to hold a specified minimum in common shares. Common shares can include common shares they own directly or exercise control or direction over (such as in relation to a trust or in relation to minor children or spouses), and common shares they own indirectly (such as in RRSPs or through a wholly-owned corporation), as filed under insider reporting requirements. Options, warrants and convertible debentures do not count toward the equity ownership requirement.

Executives have to meet these requirements throughout the year, and provide proof of compliance before the end of January each year. They can use either the market value or the issue price (whichever was higher) to calculate the amount they own. Executives who don't hold the minimum in common shares have to use their annual bonus and/or long-term incentive payouts to buy the number of common shares required.

The table below shows each named executive's equity holdings as of December 31, 2016. At that time, all of the named executives had either met or were on track to meet their equity ownership requirement.

	2016 total equity requirement	Minimum required to be held in common shares	Ownership as of December 31, 2016 – Common shares #	Common shares Value	RSUs and PSUs #	RSUs and PSUs Value	Meets total equity ownership requirement	Holds required minimum in common shares
Luc Desjardins	$3,915,000	$1,740,000	347,456	$4,430,064	499,307	$6,366,164	Yes	Yes
Beth Summers	$1,230,000	$410,000	4,400	$56,100	85,640	$1,091,901	On track for November 23, 2020	On track for November 23, 2020
Greg McCamus	$1,350,000	$450,000	43,604	$555,951	174,843	$2,229,248	Yes	Yes
Ed Bechberger	$1,081,500	$360,500	21,380	$272,595	124,325	$1,585,144	Yes	On track for January 1, 2020
Darren Hribar	$555,000	$185,000	5,700	$72,675	54,223	$691,343	Yes	On track for September 1, 2021

The value of common shares, RSUs and PSUs is calculated using $12.75, the closing price of Superior common shares on the TSX on December 30, 2016. RSUs and PSUs include reinvested dividends. PSUs assume a performance multiplier of 1 (see page 60 for more information about PSUs).

COMPONENTS AND 2016 PAY DECISIONS

1. Salary

Executives are paid an annual salary for performing their day-to-day roles. Salaries are generally targeted at the 50th percentile of the market, taking into consideration job responsibilities, the level of skills and experience required for the role and internal equity (see page 5 for more about benchmarking).

2016 salaries

The table below shows the salaries paid to the named executives in 2015 and 2016.

The board approved a general 3% increase in salaries for 2016, in line with the anticipated national average salary increase in Canada for 2016 (estimated at around 3%), and consistent with average salary increases, normal salary progression levels and increased responsibilities. Mr. Hribar's salary increase was higher because he was promoted to Senior Vice President and Chief Legal Officer on September 1, 2016. Ms. Summers did not receive an increase because she joined Superior on November 23, 2015.

	2015 annual salary ($)	2016 annual salary ($)	Change
Luc Desjardins	845,000	870,000	+3.0%
Beth Summers[1]	410,000	410,000	no change
Greg McCamus	438,136	450,000	+2.7%
Ed Bechberger	350,000	360,500	+3.0%
Darren Hribar[2]	321,818	356,667	+10.8%

[1] Ms. Summers was appointed Vice President and Chief Financial Officer on November 23, 2015 and was promoted to Senior Vice President and Chief Financial Officer on September 1, 2016.

[2] Mr. Hribar was appointed Chief Legal Officer and General Counsel on February 9, 2015 and was promoted to Senior Vice President and Chief Legal Officer on September 1, 2016.

2. Annual bonus

The annual bonus plan rewards executives for their contribution to corporate performance and the performance of the individual businesses.

Performance is measured using financial targets and other key objectives approved at the beginning of each year and tied to our corporate strategy. Performance measures and targets are different for each business, and awards can range from 0% to 200% of base salary, depending on the employee's position. The award can be clawed back (see page 51).

The compensation committee can use its discretion to adjust the amount of the annual bonus, absolute and relative financial performance and the weightings of specific financial targets and key objectives if there are:

- unusual business environment challenges in which the results were achieved
- extraordinary, unusual or non-recurring items, or
- performance that was not contemplated in a named executive's individual objectives.

2016 annual bonus

The table below shows the annual bonus paid to each named executive for 2016, and how it was calculated.

	Salary	x	Annual bonus target	x [	Corporate *or* Business performance multiplier x 70%	+	Individual performance multiplier x 30%	] =	2016 annual bonus[3] capped at 2x annual salary	Compared to target	Compared to 2015
Luc Desjardins	$870,000	x	100.0%	x	1.43		1.27	=	$1,201,470	+38%	+139%
Beth Summers[1]	$410,000	x	53.3%	x	1.43		1.45	=	$314,005	+44%	n/a
Greg McCamus	$450,000	x	50.0%	x	1.10		1.05	=	$244,125	+9%	-26%
Ed Bechberger	$360,500	x	50.0%	x	1.70		1.02	=	$269,474	+50%	+316%
Darren Hribar[2]	$356,667	x	53.3%	x	1.43		1.58	=	$281,424	+48%	+55%

1 Ms. Summers' annual bonus target was increased from 50% to 60% effective September 1, 2016 when she was promoted to Senior Vice President.

2 Mr. Hribar's annual bonus target was increased from 50% to 60% effective September 1, 2016 when he was promoted to Senior Vice President and Chief Legal Officer.

3 Numbers may not add exactly due to rounding.

Target awards, financial performance measures and other key objectives were established in October 2015 in connection with our 2016 budget. These were adjusted in February 2016, when we knew our 2015 year-end results, to reflect the realities of the marketplace at the beginning of 2016 and to make sure we had realistic targets in place for each business unit. Individual objectives for each named executive were approved by the board.

2016 corporate performance multiplier

We calculate the annual bonus for the CEO, CFO and other key named executives using a corporate performance multiplier.

The 2016 corporate performance multiplier was 1.43. This was calculated by assessing our performance against targets for AOCF and EBITDA from operations for each business, using the weightings in the table below. The committee did not make any adjustments to the calculated result.

Metric	Weighting
AOCF	35%
Superior Propane EBITDA	7%
Specialty Chemicals EBITDA	7%
Superior Gas Liquids EBITDA	7%
US Refined Fuels EBITDA	7%
Construction Products Distribution EBITDA	7%
Total	**70%**

We give AOCF the highest weighting because it is the main performance measure investors and management use to evaluate our performance. We use EBITDA from operations because it is a key contributor to AOCF and reflects the operating performance of our businesses. These measures are directly linked to our success at the corporate and business level and, as a result, are critical to the success of our long-term corporate strategy. AOCF and EBITDA from operations are both non-GAAP measures – please turn to page 71 for more information about how we calculate them.

The table below shows that AOCF in 2016 was above target, resulting in a score of 1.6. Strong corporate results were primarily driven by reduced power costs for the Specialty Chemicals business, cost reductions in Propane distribution, strong operating results from our wholesale business, the favorable impact of foreign exchange due to the weakening Canadian dollar, and lower interest expense on reduced debt levels.

	Threshold 0.0	Target 1.0	Maximum 2.0	2016 Actual		AOCF score
Consolidated AOCF per common share (before restructuring charges)	$1.28	$1.42	$1.56	**$1.50**	**>**	**1.6**

Business performance multipliers

We calculate the annual bonus for the heads of each business using a business performance multiplier.

We use EBITDA from operations to calculate the multiplier for each business, using a performance range of 10% above and below the targets. EBITDA is recognized as good measure of operating profitability and, since it excludes financing cost, taxes, depreciation and amortization, provides a good indication of core business profitability. We do not publicly disclose targets or performance for EBITDA from operations at the business level because this would give our competitors access to the financial targets we set and the performance of certain component parts of our business, which could seriously prejudice our interests. The table below shows the business performance multipliers for 2016. The committee did not make any adjustments to the calculated results.

Business	Threshold 0.0	Target 1.0	Maximum 2.0	2016 business performance multiplier
Superior Propane	90% of target	100% of target	110% of target	1.1
Specialty Chemicals	90% of target	100% of target	110% of target	1.7
Superior Gas Liquids	90% of target	100% of target	110% of target	2.0
US Refined Fuels	90% of target	100% of target	110% of target	0.0
Construction Products Division	90% of target	100% of target	110% of target	1.5

Individual performance multipliers

The committee assessed the performance of the CEO and each named executive against individual objectives in the following categories:

- business strategy
- growth
- people
- operations (including health, safety and environment)
- specific divisional initiatives.

Specific objectives and weightings in each category were approved at the beginning of the year, and vary by individual. Achievement of these objectives is measured and evaluated at the mid-point of the year and again at the end of the year to determine the level of achievement. The scale varies between 0x and 2x depending on the level of achievement.

The table below shows each named executive's individual performance multiplier and what contributed to the result.

	2016 objectives	Key results	2016 individual performance multiplier
Luc Desjardins	> Implement Evolution 2020 strategic plan > Pursue growth through acquisitions and business development > Improve health and safety results > Develop senior executive team > Foster engagement throughout the organization > Maintain positive relationships with investors and financial community	> Implemented strategic growth plan, built financial and operational strength, and positioned the company for future growth > Oversaw the sale of Construction Products Distribution and the acquisition of Caledon Propane Inc. > Oversaw improvements in health and safety: safety training and awareness increased > Strengthened the executive team by promoting > from within and hiring from outside the company when necessary > Introduced a company-wide engagement plan with measurable goals > Interacted regularly with investors and received positive feedback from market survey	1.27
Beth Summers	> Support growth through acquisitions, business strategy and strategic planning > Implement risk and business continuance plans focused on strong control environment > Drive engagement and develop the finance talent across the company > Implement required financing plan to support strategic plan	> Developed risk management and business continuance plan, identified required resources and measurable goals supporting strong controls and governance > Implemented financial plan to support our acquisition strategy and manage capital requirements > Provided business guidance and supported the company's acquisition activities > Developed a vision and talent plan to engage the finance team	1.45
Greg McCamus	> Implement strategic plan for the Propane business > Improve health and safety awareness and results > Strengthen customer experience > Build senior talent bench strength and foster engagement throughout the Propane business	> Led the acquisition of Caledon Propane Inc. > Grew the commercial business portfolio while dealing with challenging weather and the economic downturn in western Canada > Introduced a new digitalization and customer service strategy, a key market differentiator > Improved health, safety and environment results > Strengthened the teams for the Propane and US Refined Fuels businesses	1.05
Ed Bechberger	> Implement strategic plan for the Specialty Chemicals business > Reduce costs in operations and support services > Implement growth projects > Develop and implement market strategy for all key products > Strengthen talent and plan for succession for key roles	> Implemented business optimization strategy that developed new markets and generated organic growth opportunities from current customer base > Reduced operational and administrative costs > Maintained best-in-class health, safety and environment record > Strengthened executive team by promoting from within and hiring from outside the company	1.02
Darren Hribar	> Support legal requirements for strategic projects and the execution of the business plan > Promote corporate governance best practices > Organize and align companywide legal team	> Provided strategic direction and legal advice on significant acquisitions and divestitures > Minimized financial and legal exposure on corporate transactions and provided effective oversight of all legal matters > Reviewed all governance matters and ensured the company is meeting its governance obligations > Coordinated the legal team across all businesses	1.58

3. Long-term incentive plan

The long-term incentive plan is designed to attract and retain key employees, and to focus management on our longer-term operating financial performance and shareholder value. Previous long-term incentive grants are not taken into account when making new awards.

Key things to note:

> awards are normally approved in October, granted in January of the following year and allocated 50% to RSUs and 50% to PSUs

> the number of units each executive receives is calculated by dividing the dollar amount of the award by the five-day volume weighted average price of our common shares immediately following the approval date

> both RSUs and PSUs earn dividend equivalents in the form of notional additional RSUs and PSUs

> RSUs vest 1/3 each year beginning on the first anniversary of the grant date, and are paid out in cash shortly after. The cash amount is determined by multiplying the number of units that vest by the 10-day volume weighted average price of our common shares on the day following the vesting date

> PSUs vest in two tranches: 50% on the third anniversary of the grant date, and 50% five months after that. The cash payout the executive receives for each tranche depends on our performance against pre-determined targets, which determine the performance multiplier, and the 10-day volume weighted average price of our common shares following each vesting date. The committee sets the total shareholder return (TSR) performance target and performance period at the time of each grant

> PSUs awarded before October 2016 vest on the third anniversary of the grant date and can be paid on one of four possible valuation dates chosen by the named executive

> RSUs and PSUs can be clawed back or forfeited in certain circumstances (see page 51).

Long-term incentive compensation target ranges are calculated as a percentage of salary. The target ranges vary based on roles and on the individual, as follows:

	Long-term incentive target range
President and CEO	150-200%
Chief Financial Officer and business Presidents	100-125%
Senior Vice President and Chief Legal Officer	75-85%

The compensation committee and the board may change these terms and targets from time to time.

2016 long-term incentive award

The table below shows the long-term incentive awards for each named executive for 2016, and how it was allocated. The award was approved by the compensation committee and the board on October 27, 2016, and granted on January 3, 2017.

The awards took into consideration each individual executive's:

> performance

> impact on the execution of the strategy

> market competitiveness

> need for retention

> roles and responsibilities.

We calculated the number of RSUs and PSUs awarded using a share price of $11.84, the five-day volume weighted average price of our common shares following the date the awards were approved.

	Salary	Approved target	2016 long-term incentive award[1]	>	Allocation			
					Restricted share units (50%)		Performance share units (50%)	
					$	#	$	#
Luc Desjardins	$870,000	200%	$1,855,377		927,688	73,451	927,689	73,451
Beth Summers	$410,000	125%	$546,483		273,241	21,634	273,242	21,634
Greg McCamus	$450,000	125%	$599,799		299,899	23,745	299,900	23,745
Ed Bechberger	$360,500	115%	$442,065		221,032	17,501	221,033	17,501
Darren Hribar	$370,000	85%	$335,354		167,677	13,276	167,677	13,276

1 Grant date value calculated using $12.63, the closing price of our common shares on the TSX on January 3, 2017.

Performance conditions for the 2016 PSUs

The 2016 PSUs will vest in two tranches. The performance period for the first tranche is January 1, 2017 to January 1, 2020 and for the second tranche is January 1, 2017 to June 1, 2020. The amount the executives receive will depend on the PSU performance multiplier for each tranche, and our share price at each vesting date.

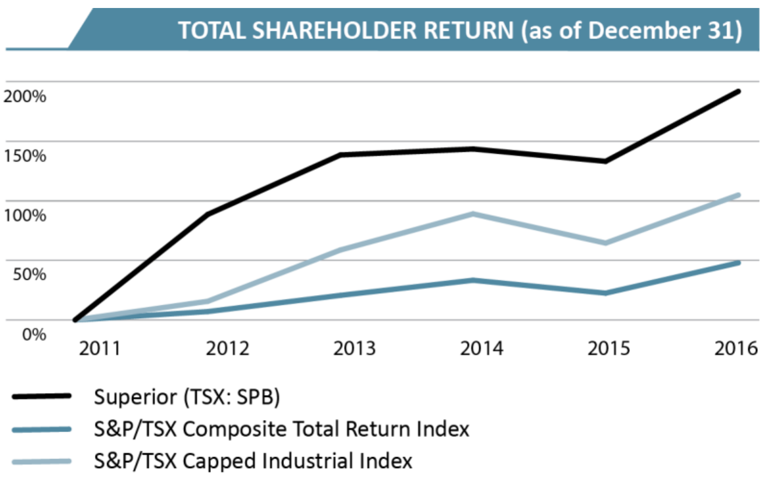
We calculate the PSU performance multiplier based on our compound TSR over the performance period compared to our targets using the scale in the table below. The committee believes absolute TSR is the appropriate way to measure our longer-term performance. It does not use relative TSR because of the lack of peers with a comparable mix of business (see page 53 for information about our peers).

If our compounded TSR is:	Performance is:	And the PSU performance multiplier will be:
less than 5%	below threshold	0
5% to 9.99%	below target	0.33 – 0.99 (adjusted linearly)[1]
10% to 15%	at or above target	1.0 – 2.0x (adjusted linearly)
higher than 15%	at the maximum	2.0 (capped)

1 0 – 0.99 (adjusted linearly) for PSUs granted before October 2016.

SHARE PERFORMANCE

The graph below compares our total cumulative shareholder return for the past five years to the total return of the S&P/TSX Composite Total Return Index and S&P/TSX Capped Industrial Index. It assumes $100 was invested in our common shares and the two market indices on December 31, 2011, and that dividends were reinvested during the period.



at December 31	2011	2012	2013	2014	2015	2016
Superior (TSX: SPB)	$100	$189	$238	$243	$233	$292
S&P/TSX Composite Total Return Index	$100	$107	$121	$133	$123	$148
S&P/TSX Capped Industrial Index	$100	$116	$159	$189	$164	$205

The table below compares the total compensation of the CEO and the 2016 named executives with our consolidated AOCF, a key performance measure used in our compensation plans and throughout our financial reporting.

$ millions except where noted	2012	2013	2014	2015	2016
Total compensation – CEO	$3.3	$3.1	$3.1	$3.5	$4.2
Total compensation – all named executives	$7.7	$7.5	$7.1	$7.8[1]	$9.1
AOCF	$200.4	$207.6	$238.7	$217.2	$212.6
AOCF per share	$1.79	$1.69	$1.89	$1.68	$1.50
Total named executive compensation as a percentage of AOCF	3.8%	3.6%	3.0%	3.6%	4.2%
TSR (cumulative total return, per graph above)	89%	138%	143%	133%	192%

[1] To make the numbers comparable over the five years, Mr. Bingham's retirement allowance of $899,776 and Ms. Summers' salary and signing bonus in the aggregate amount of $131,539 are not included in the 2015 data. Ms. Summers was appointed Vice President and Chief Financial Officer on November 23, 2015.

For the five-year period ended December 31, 2016, Superior's compound annual growth rate (CAGR) was 24%, compared to the TSX Composite CAGR of 8% and the TSX Capped Industrial CAGR of 15%. In 2016, the total shareholder return of our common shares assuming reinvestment of dividends was 26.5%, compared to 21% and 25% for the two indices. The approximately 18% increase in total compensation of the named executives over the past five years reflects the 192% increase in the price of our common shares and the fact that over 60% of their compensation is variable and based on performance. Total compensation of named executives as a percentage of AOCF has remained relatively stable over the past five years.

SUMMARY COMPENSATION TABLE

The table below shows the compensation awarded to the named executives for the last three years ending December 31.

Name and principal position	Year	Salary ($)	Share-based awards ($)[1]	Option-based awards ($)	Annual incentive plans[2] ($)	Long-term incentive plans ($)	Pension value[3] ($)	All other compensation[4] ($)	Total compensation ($)
Luc Desjardins President and CEO	2016	870,000	1,855,377	–	1,201,470	–	13,005	292,011[5]	4,231,863
	2015	845,000	2,103,616	–	502,775	–	12,685	54,915	3,518,991
	2014	825,000	1,031,250	–	1,152,000	–	12,135	53,980	3,086,539
Beth Summers Senior Vice President and CFO[6]	2016	410,000	546,483	–	314,005	–	13,005	30,008	1,313,501
	2015	31,539	430,029	–	100,000	–	–	–	561,568
Greg McCamus President, Energy Services	2016	450,000	599,799	–	244,125	–	13,005	36,207	1,343,136
	2015	438,136	659,444	–	328,601	–	12,685	22,333	1,461,199
	2014	427,450	427,450	–	387,529	–	12,135	22,061	1,276,625
Ed Bechberger President, Specialty Chemicals	2016	360,500	442,065	–	269,474	–	42,000	-	1,114,039
	2015	350,000	567,002	–	64,570	–	40,000	-	1,021,572
	2014	306,067	262,500	–	161,635	–	29,000	4,972	764,174
Darren Hribar Senior Vice President and CLO[7]	2016	356,667	335,354	–	381,424	–	13,005	25,444	1,111,894
	2015	291,346	150,000	–	181,500	–	12,685	17,982	653,513

[1] Grant date fair value of RSUs and PSUs granted under our long-term incentive plan determined by multiplying the number of RSUs and PSUs that were awarded by the closing price of our common shares on the TSX on the grant date. The board approves long-term incentive awards in October to be granted the first trading day in January of the following year. The number of RSUs and PSUs each executive receives is calculated by dividing the dollar amount of the long-term incentive award by the five-day volume weighted average price of our common shares immediately following the approval date. See page 60 for information about the long-term incentive plan.

[2] Cash bonus earned for the year under our annual bonus plan. Typically paid out in the first quarter of the following year. See page 56 for information about the annual bonus plan.

[3] The compensatory change in our registered pension plans (see page 66 for details).

[4] Perquisites and other personal benefits, other than in the case of Mr. Desjardins, did not exceed $50,000 or 10% of salary. Amounts include our contribution to each named executive's non-registered savings plan, vehicle allowance amounts and parking.

[5] Mr. Desjardins' perquisites and other personal benefits include reimbursement of his golf club membership fees in the amount of $98,115 and his private social club membership fees in the amount of $39,343 and the associated taxes of $81,000.

[6] Ms. Summers was hired on November 23, 2015, received a signing bonus of $100,000 and was not eligible for the annual bonus award in 2015.

[7] Mr. Hribar was hired on February 9, 2015. He received a discretionary performance bonus of $100,000 in 2016 in connection with a significant corporate transaction.

EQUITY COMPENSATION

Outstanding share-based and option-based awards *as at December 31, 2016*

The table below shows the outstanding RSUs and PSUs awarded under our long-term incentive plan. We calculated the value of RSUs and PSUs by multiplying the number of units each named executive held on December 31, 2016 by $12.75, the closing price of Superior common shares on the TSX on December 30, 2016. This includes RSUs and PSUs that were granted for 2016, which were approved in October 2016 but granted on January 3, 2017. RSUs and PSUs include reinvested dividends. PSUs assume a performance multiplier of 1 (see page 60 for more information about the long-term incentive plan, and page 61 for more about PSUs).

	Option-based awards				Share-based awards		
	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of share-based awards not paid out or distributed ($)
Luc Desjardins	–	–	–	–	179,943 RSUs 319,364 PSUs	6,366,164	–
Beth Summers	–	–	–	–	42,820 RSUs 42,820 PSUs	1,091,910	–
Greg McCamus	–	–	–	–	67,772 RSUs 107,071 PSUs	2,229,248	–
Ed Bechberger	–	–	–	–	46,591 RSUs 77,734 PSUs	1,585,144	–
Darren Hribar	–	–	–	–	26,049 RSUs 28,174 PSUs	691,343	–

Incentive plan awards – value vested or earned during the year

The table below shows for each named executive:

> the value of RSUs awarded under the long-term incentive plan that vested and were paid out on March 4, 2016 (no PSUs vested in 2016)

> the annual cash bonus earned for 2016, which will be paid out in March 2017.

We calculated the value of RSUs paid out by multiplying the number units that vested (including reinvested dividends) by $8.9318, the 10-day volume weighted average price of our common shares on March 4, 2016. See page 60 for information about the long-term incentive plan.

	Option-based awards – value vested during the year ($)	Share-based awards – value vested during the year ($)	Non-equity incentive plan compensation – value earned during the year ($)
Luc Desjardins	–	287,132	1,201,470
Beth Summers	–	–	314,005
Greg McCamus	–	119,092	244,125
Ed Bechberger	–	55,688	269,474
Darren Hribar	–	17,968	381,424

PENSION BENEFITS

We offer retirement benefits, including a defined contribution plan for four of our named executives and a defined benefit plan for Mr. Bechberger.

Defined contribution plan

All full- and part-time employees (except Specialty Chemicals executives) who live outside of Manitoba and work at least 20 hours a week (subject to the terms of their employment) can participate in the Superior Propane employee pension plan, a voluntary defined contribution plan. The plan is a registered pension plan governed by Canada's Income Tax Act, and federal and provincial pension legislation.

All of the named executives except Mr. Bechberger participate in the plan. The named executives can contribute from one to eight percent of their base pay earnings every year, and Superior matches employee contributions to a maximum of eight percent of the named executive's salary. Total contributions each year cannot be higher than the annual limit under federal legislation ($26,010 in 2016) or 18% of the named executive's current year's total direct compensation (whichever is lower).

Base pay earnings
Include salary, vacation pay, statutory holiday pay and short-term disability. They do not include overtime, taxable benefits or incentive compensation.

All contributions vest immediately but cannot be withdrawn until the participant leaves the company. Retirement under the plan is defined as any day after the day after the employee turns 55, but before December 1 of the year the employee turns 71.

The table below shows:

> the value in each executive's defined contribution plan as of January 1, 2016
> contributions to the plan during the year
> the accumulated value at the end of the year, which includes employer and employee contributions and investment returns as of December 31, 2016.

The table was prepared using the same assumptions, methods and accounting principles used to prepare our financial statements.

	Accumulated value at the beginning of the year ($)	Compensatory change ($)	Accumulated value at the end of the year ($)
Luc Desjardins	134,320	13,005	161,197
Beth Summers	–	13,005	27,841
Greg McCamus	327,456	13,005	383,937
Darren Hribar	25,970	13,005	56,705

Defined benefit plan

Mr. Bechberger is the only named executive who participates in a defined benefit plan.

The ERCO Worldwide Defined Benefits plan pays a monthly pension when Mr. Bechberger retires. The monthly amount depends on his credited service and how much he has earned, as illustrated below. There is no maximum applied to credited service, but his annual pension cannot be higher than $2,890 per year of service (the maximum allowable under the Income Tax Act as of December 31, 2016). Earnings in the formula below consist of salary:

Years and months of credited service

x [

1.25%
x
best three-year average earnings up to the final three-year average yearly maximum pensionable earnings

(average was $53,666.67 at December 31, 2016)

\+

1.875%
x
best three-year average earnings in excess of the final three-year average yearly maximum pensionable earnings

]

Normal retirement is at age 65, but he can retire as early as age 55. He will receive the full pension amount if he retires at age 65, or after he turns 60 as long as he has 25 or more years of service. If he retires between the ages of 55 and 59, he will receive a reduced pension. There is no offset or reduction at age 65 for Canada Pension or Old Age Security.

Payments continue for Mr. Bechberger's lifetime. If he dies before 60 payments have been made, his beneficiary will receive monthly payments until a total of 60 payments have been made.

The table below shows:

> Mr. Bechberger's years of credited service at the end of 2016
> the estimated annual benefit that would be payable at year end and age 65, based on his current pensionable earnings and credited service
> a reconciliation of the defined benefit obligation from December 31, 2015 to December 31, 2016
  – *opening and closing present values* assume a discount rate of 3.75% per year, a salary scale of 3.00% and use the project unit credit cost method pro-rated by service (the same assumptions, methods and accounting principles used to prepare our financial statements)
  – *compensatory change* includes the service cost for 2016 and the effect that actual salary increases had on pension liability
  – *non-compensatory change* includes all other effects, mainly changes in liability due to changes in assumptions.

	Number of years credited service (#)	Annual benefits payable		Opening present value of defined benefit obligation	Compensatory change	Non-compensatory change	Closing present value of defined benefit obligation
		At year end	At age 65				
Ed Bechberger	35.58	$103,000	$122,000	$1,442,000	$42,000	$61,000	$1,545,000

TERMINATION AND CHANGE OF CONTROL

We have employment agreements with all of our named executives that provide for:

> a base salary
> an annual bonus in some cases (as long as performance benchmarks are met – see page 56)
> participation in our long-term incentive plan (see page 60)
> participation in a pension plan (see page 66)
> other benefits
> entitlements if their employment is terminated in certain situations.

Our employment agreements also include a requirement to comply with our policies governing confidential information, and non-compete provisions that range from 12 to 18 months.

Treatment of compensation if employment is terminated

The table below shows the payments we will make to the named executives under different scenarios, as specified in their employment agreements or by the terms of the long-term incentive plan.

	Retirement	**Termination without cause** (includes resignation *for* good reason)	**Termination with cause** (includes resignation *without* good reason)	**Change of control**
Salary	Salary to date of retirement	Severance payment (see below)	Salary to date of termination	Mr. Desjardins: severance payment (see below) as long as he is also terminated without cause
Annual bonus	Amount declared but unpaid	Amount declared but unpaid	Amount declared but unpaid	Mr. Desjardins: severance payment (see below) Other named executives: amount declared but unpaid
Long-term incentive	Pro-rated to date of termination and vest immediately	Pro-rated to date of termination and vest immediately	Forfeited	PSUs and RSUs accelerate and vest immediately, according to the terms of the long-term incentive plan (see below)
Pension	Accrued pension amount	Accrued pension amount	Accrued pension amount	Accrued pension amount
Other	Outstanding vacation pay and expense reimbursements	Outstanding vacation pay and expense reimbursements	Outstanding vacation pay and expense reimbursements	Outstanding vacation pay and expense reimbursements
Additional benefits	Benefits end	Benefits end	Benefits end	

Good reason is either:

- a material change in position, duties, title or office and a reduction in annual salary or other compensation, or
- in some employment agreements, a transfer to a different location (unless by mutual agreement).

Severance payment, as defined in the employment agreements, includes:

- Luc Desjardins: 2x annual salary plus target bonus
- Beth Summers: 1x annual salary
- Greg McCamus: 1.5x annual salary plus 10 percent for loss of employment benefits
- Ed Bechberger: 2x annual salary
- Darren Hribar: 2x annual salary

Change of control, under the terms of the long-term incentive plan, can be:

- a change of control transaction – a transaction where one or more entities acquires more than 50 per cent of our voting shares
- a divisional change of control transaction (for employees of the division):
  – a division's assets are sold to another unrelated entity
  – a transaction results in Superior owning less than 50 per cent of the division, or
  – a transaction results in Superior ceding control of the division to an unrelated entity.

Change of control, under the terms of Mr. Desjardins' employment agreement, must be double-trigger (accompanied by termination without cause). Change of control is defined as one of the following:

- an acquisition of more than 20% of our voting shares, or
- a change of three or more board members that we do not initiate.

Estimated payments if employment is terminated

The table below shows the estimated additional benefits each named executive would receive if their employment ended on December 31, 2016.

The value of RSUs and PSUs is calculated using $12.75, the closing price of Superior common shares on the TSX on December 30, 2016. RSUs and PSUs include reinvested dividends. PSUs assume a performance multiplier of 1. The actual amount the executives would receive on termination depends on our share price at the time, among other things. See page 60 for more about the long-term incentive plan.

The table assumes all allowable vacation has been taken in full, and does not include the annual cash bonus, which was not declared until February 2017.

The value of RSUs and PSUs that pay out under the terms of the long-term incentive plan:

- on *retirement* and *termination without cause*, includes all RSUs and PSUs issued prior to December 31, 2016, and are prorated to reflect the length of time the named executive was employed during the applicable vesting periods
- on a *change of control*, assumes they accelerated and vested before December 31, 2016, and includes RSUs and PSUs granted on or before December 31, 2016. If the valuation date is accelerated for PSUs, a performance multiplier of 1 is used unless actual share price at the time of the change of control triggers a higher performance multiplier.

		Estimated incremental value on termination as of December 31, 2016					
	Under the terms of	Resignation (without good reason) ($)	Retirement ($)	Termination without cause ($)	Termination with cause ($)	Change of control as defined by an employment agreement ($)	Change of control as defined by the long-term incentive plan ($)
Luc Desjardins	His employment agreement	–	–	3,480,000	–	3,480,000[1]	3,480,000[2]
	Long-term incentive plan	–	2,711,873	2,711,873	–	–	4,411,486
	Total	–	**2,711,873**	**6,191,873**	–	**3,480,000**	**7,891,486**
Beth Summers	Her employment agreement	–	–	410,000	–	–	–
	Long-term incentive plan	–	–	180,079	–	–	540,238
	Total	–	–	**590,079**	–	–	**540,238**
Greg McCamus	His employment agreement	–	–	742,500	–	–	–
	Long-term incentive plan	–	969,755	969,755	–	–	1,597,065
	Total	–	**969,755**	**1,712,255**	–	–	**1,597,065**
Ed Bechberger	His employment agreement	–	–	721,000[3]	–	–	–
	Long-term incentive plan	–	581,638	581,638	–	–	1,065,836
	Total	–	**581,638**	**1,302,638**	–	–	**1,065,836**
Darren Hribar	His employment agreement	–	–	740,000	–	–	–
	Long-term incentive plan	–	–	153,715	–	–	352,818
	Total	–	–	**893,715**	–	–	**352,818**

1 Assumes the transaction is a change of control under his employment agreement, but not under the terms of the long-term incentive plan and that Mr. Desjardins is terminated without cause.

2 Assumes Mr. Desjardins is terminated without cause.

3 Does not include what he may be entitled to receive under the ERCO Worldwide Defined Benefits plan.

Mike Farrell, President, Construction Products Distribution, was paid a total amount of US$4,090,202 on the change of control of the Construction Products Distribution business and the termination of his employment on August 9, 2016. The amount includes severance per his employment agreement, an annual bonus payment per the annual bonus plan and his portion of the Construction Products Distribution long-term incentive that vested on the change of control of the business.

OTHER INFORMATION

Loans to directors and executive officers

None of our directors or nominated directors, our executive officers, or anyone associated or affiliated with any one of them, has a loan outstanding to the company.

Interest in material transactions

None of our directors or nominated directors, our executive officers, or anyone associated or affiliated with any one of them, has or has had a direct or indirect material interest in any transaction or proposed transaction that has materially affected or would materially affect the company.

Liability insurance

We and Superior General Partner Inc. maintain liability insurance to protect the directors and officers of Superior and our subsidiaries. This includes two kinds of coverage:

- US$40,000,000 for losses we and Superior General Partner Inc. indemnify. This includes a corporate deductible of US$100,000
- US$10,000,000 for directors and officers for losses they suffer during the performance of their duties that we and Superior General Partner Inc. do not indemnify. There is no deductible for this coverage.

In 2016 we paid a premium of US$139,876 to cover the 12-month term from November 1, 2016 to November 1, 2017, to coincide with our corporate insurance program.

Non-GAAP measures

We use a number of financial measures that are not defined by GAAP to evaluate our performance. These do not have a standard meaning that can be easily compared to similar measures reported by other companies, who may calculate them differently.

The non-GAAP measures presented in this circular include*:*

- *adjusted operating cash flow (AOCF)* – cash flow from operating activities as defined by IFRS, adjusted for changes in non-cash working capital, other expenses, non-cash interest expense, current income taxes and finance costs. We may make other deductions, usually non-recurring items.
- *EBITDA from operations* – earnings before taxes, depreciation, amortization, finance expense and certain non-cash expenses. It does not include gains/(losses) on foreign currency hedging contracts.

These measures are designed to provide additional information to investors, to help them assess our performance and the performance of our operating businesses on the same basis as management. They should not be considered on their own, as a substitute for performance measures prepared according to IFRS, or considered as alternatives to net earnings, cash flow from operating activities or other measures of financial results that are calculated according to GAAP as an indicator of our performance.

For more information about these non-GAAP measures and a reconciliation to measures under IFRS, see page 35 in our December 31, 2016 MD&A.

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