Superior Plus

Notice of Meeting and Management Information Circular

For the Annual and Special Meeting of Shareholders to be held on May 8, 2018

Superior Plus

Notice of our 2018 annual and special meeting

Please join us at our 2018 annual and special meeting of shareholders

When

May 8, 2018
4 p.m. (Eastern time)

Where

TMX Broadcast Centre, The Exchange Tower
130 King Street West
Toronto, Ontario M5X 1J2

What the meeting will cover

> **Receiving** our 2017 consolidated financial statements and the related auditor's report (page 10)
> **Electing** our directors (page 10)
> **Appointing** our auditor (page 10)
> **Voting** on amending our by-laws (page 11)
> **Voting** on amending and renewing our shareholder rights plan (page 12)
> **Voting** on our approach to executive compensation (page 14)
> **Considering** any other business properly presented at the meeting (page 15)

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 4 p.m. (Eastern time) on May 4, 2018 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 and special meeting on our website.

By order of the board,

"David P. Smith"

David P. Smith
Chair of the Board
Superior Plus Corp.
Toronto, Ontario

February 27, 2018

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

We use *notice and access* to deliver meeting materials (this notice and the management information circular) to beneficial holders of our common shares. Notice and access is a set of rules developed by the Canadian Securities Administrators (CSA) that allows companies to post meeting materials online, reducing paper and mailing costs.

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 2017 consolidated financial statements and related management's discussion and analysis.

All other shareholders can download these documents after March 2, 2018:
• from our website: www.superiorplus.com
• from our profile on SEDAR: www.sedar.com

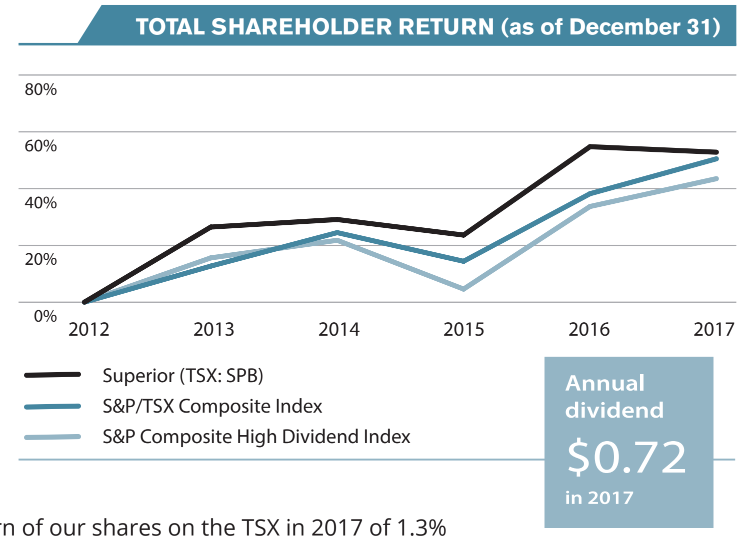
If you prefer to have a printed copy of these documents, contact our head office right away and we'll send you one free of charge. Note that we have to receive your request by **March 22, 2018:**

call	toll-free (866) 490-7587
email	investor-relations@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 2017:

- adjusted operating cash flow (AOCF) of $1.75 per share (before transaction and other costs), an increase of $0.41 per share or 31% from 2016, was at the top of our forecasted range
- the increase in AOCF was due to the contribution of Canwest, increased volumes at Canadian Propane, increased chlor-alkali sales volumes and higher average chlor-alkali product prices at Specialty Chemicals



- the decrease in the total shareholder return of our shares on the TSX in 2017 of 1.3% does not reflect the strong operating results of the business or execution of the strategic plan
- completed the $412 million acquisition of Canwest Propane after approval by the Competition Bureau
- closed acquisitions of Pomerleau Gaz, Yankee Propane, Virginia Propane and R.W. Earhart Propane for an aggregate of $93.7 million, expanding our propane footprint in North America
- closed the acquisition of International Dioxcide, Inc. for $14.4 million, expanding the sodium chlorite segment of the Specialty Chemicals business
- settled our litigation with the Canada Revenue Agency over our corporate conversion transaction de-risking our tax profile while maintaining a significant portion of the benefits of such transaction
- completed $400 million in unsecured note financings at favourable rates for a BB rated issuer using the proceeds to actively manage and extend the company's debt maturity profile.

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. Our board, with 56% of the directors having been members for less than 5 years, is an engaged group of individuals with an effective mix of skills, experience and diversity to enable Superior to achieve its strategic objectives.

Our corporate governance practices meet the guidelines of the Canadian Securities Administrators, and we regularly review and update them, as appropriate, when regulations change or best practices evolve. In 2017, our ranking in *The Globe and Mail's* report on corporate boards improved from 65 to 45, and our ISS QualityScore improved from 6 to 4. You can read about our corporate governance practices and the activities of the board and board committees this year, starting on page 27.

We want to thank Walentin Mirosh, who is retiring from the board this year, for bringing valued strategic and operational expertise to the board for the past 10 years.

Focus on health and safety

In 2017, we made two changes that strengthen the vital link between the board's HS&E committee and our operations:

> appointed an HS&E executive level sponsor and an HS&E coordinator to provide leadership and operational expertise that will help support the board's HS&E committee in fulfilling its mandate.

> established a divisional HS&E committee to act as a companywide network and platform for sharing information, resources and best practices within the company, and to improve the quality of HS&E reporting to the board.

We also appointed Patrick E. Gottschalk, who brings significant experience in operations, chemical businesses, mergers and acquisitions, international businesses and health and safety, as a director to our board and member of the Audit and HS&E committees.

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 only administrative changes to our equity-based compensation plans. We continue to be confident that our plans do not encourage inappropriate risk-taking and are aligned with our strategic goals and allow us to attract and retain key talent.

Executive compensation

The board administers the 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 53. 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 and special meeting on May 8, 2018. We welcome you to vote again this year, and thank you for your continuing support of Superior.

Sincerely,

"David P. Smith"

David P. Smith
Chair

"Luc Desjardins"

Luc Desjardins
President and Chief Executive Officer

Proxy summary

Please join us at our 2018 annual and special meeting of shareholders.

When
May 8, 2018
4 p.m. (Eastern time)

Where
TMX Broadcast Centre
The Exchange Tower
130 King Street West
Toronto, Ontario M5X 1J2

Record date
March 21, 2018

Voting items	Board recommendation	For more information
Elect 9 directors	*For* each nominee	Page 10
Appoint Ernst & Young LLP, Chartered Accountants of Toronto, Ontario as our auditor	*For*	Page 10
Vote on amending our By-Laws	*For*	Page 11
Vote on amending and renewing our shareholder rights plan	*For*	page 12
Vote on our approach to executive compensation (advisory vote)	*For*	page 14

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, 2017 meeting attendance and equity ownership in the profiles starting on page 35.

Name	Age	Director since	Occupation	Independent	Committee memberships	2017 voting attendance	2017 voting result	Other public company boards
Catherine M. Best	64	2007	Corporate director and consultant	Yes	Audit (chair) Governance and nominating	100%	91.94% *for*	3
Eugene V.N. Bissell	64	2014	Corporate director	Yes	Audit Health, safety and environment	100%	99.63% *for*	–
Richard C. Bradeen	61	2015	Corporate director and consultant	Yes	Audit Compensation	100%	99.74% *for*	1
Luc Desjardins	65	2011	President and CEO, Superior	No	–	100%	98.79% *for*	1
Randall J. Findlay	67	2007	Corporate director Chair of the Board, Pembina Pipeline Corporation	Yes	Audit Governance and nominating (chair)	100%	98.49% *for*	1
Patrick E. Gottschalk	54	2017	Corporate director	Yes	Audit Health, safety and environment	100%	N/A	–
Douglas J. Harrison	58	2015	President and CEO, VersaCold Logistics Services	Yes	Audit Health, safety and environment	100%	98.76%	–
Mary B. Jordan	58	2014	Corporate director Chair of the Board, Vancouver International Airport Authority	Yes	Compensation (chair) Governance and nominating	94%	99.61% *for*	–
David P. Smith	59	1998	Corporate director Chair of the Board, Superior	Yes	Compensation Governance and nominating	100%	96.72%	1

Corporate governance practices

Superior is committed to high standards of corporate governance. Our corporate governance practices meet the guidelines of the 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 27 to read more about governance at Superior). (pages to be updated)

		For more information
Appropriate board size	9 directors	page 16
Separate Chair and CEO positions	Yes	page 28
Majority of the directors are independent	8 of 9 nominees	page 28
Female directors	Yes (2 of 9 nominees)	page 16
Board diversity policy	Yes	page 35
Leadership diversity	Yes	page 33
Annual director elections	Yes	page 10
Elect directors individually (not by slate)	Yes	page 10
Majority voting policy for directors	Yes	page 30
Formal position descriptions for the independent Chair of the Board, committee chairs and CEO	Yes	page 28
Number of board interlocks	None	page 37
Share ownership requirements for directors	Yes (3x total retainer)	page 47
Share ownership requirements for executives	Yes	page 60
Orientation and continuing education program for directors	Yes	page 38
Retirement age for directors	Yes (age 72)	page 37
Code of business conduct and ethics	Yes	page 29
Regular advisory vote on executive compensation	Yes (annually)	page 14
Formal board assessment	Yes (annually)	page 40
Communications and disclosure policy	Yes	page 33
Shareholder engagement	Yes	page 34

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 50.

		For more information
Pay for performance	Yes (corporate and individual)	page 59
Significant amount of at-risk pay for executives	Yes (72% for the CEO)	page 59
Compensation is paid out over time	Yes	page 59
Significant portion of incentive compensation is linked to our share price and shareholder return	Yes	page 60
Benchmark compensation to align with the market	Yes	page 58
Cap incentive plan payouts to mitigate risk-taking	Yes	pages 63, 68
Use of discretion to adjust awards as appropriate	Yes (board and compensation committee)	page 56
Share ownership requirements for executives	Yes	page 60
Independent advice from external compensation consultant	Yes	page 56
Guaranteed STIP	No	page 63
Clawback policy	Yes	page 56
Anti-hedging policy	Yes	page 56

Superior Plus

2018 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 21, 2018 (the record date).

You're entitled to receive notice of and vote your shares at our annual and special meeting of shareholders on May 8, 2018.

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 27, 2018.

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 and special meeting of shareholders to be held on May 8, 2018

> *common shares* or *shares* mean common shares of Superior Plus Corp.

> *circular* means this management information circular.

All information is as of February 27, 2018, and all dollar amounts are in Canadian dollars, unless stated otherwise.

SUPERIOR PLUS CORP.

"Luc Desjardins"	*"Darren Hribar"*
Luc Desjardins President and Chief Executive Officer	**Darren Hribar** Senior Vice President and Chief Legal Officer

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, 2017. 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: www.superiorplus.com

ABOUT THE SHAREHOLDER MEETING

VOTING

At least two persons who hold or represent by proxy at least 25% 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, except for the amendment and renewal of the shareholder rights plan for which we must also receive a majority of the votes cast by Independent Shareholders for it 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 27, 2018.

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 21, 2018, you are entitled to receive notice of and vote at our 2018 annual and special 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 **4 p.m. (Eastern time) on May 4, 2018 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 4:00 p.m. (Eastern time) on May 4, 2018 • 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, 2017, 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 16 for information about each of the nominated directors:

- Catherine M. Best
- Eugene V.N. Bissell
- Richard C. Bradeen
- Luc Desjardins
- Randall J. Findlay
- Patrick E. Gottschalk
- Douglas J. Harrison
- Mary B. Jordan
- 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 30 for more information).

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

3. Appointing the auditor

On February 14, 2018, after completing a comprehensive auditor selection process and considering management proposals received from four audit firms, the Audit Committee determined to appoint Ernst & Young LLP as our auditor for the year ending December 31, 2018. Ernst & Young LLP was appointed by the board with effect as of February 14, 2018. At Superior's request, our former auditor, Deloitte LLP, resigned as of the same date.

We filed a change of auditor notice on February 22, 2018 in accordance with National Instrument (NI 51-102) in which we confirmed that:

- the audit reports of Deloitte LLP in connection with its audit of our financial statements for the years ended December 31, 2017 and December 31, 2016 do not express a modified opinion and there was no audit of our financial statements for any period subsequent to the year ended December 31, 2017
- there were no "reportable events" (as defined in NI 51-102) during the "relevant period" (as defined in NI 51-102).

Deloitte LLP and Ernst & Young LLP filed letters with the securities regulatory authorities of all of the provinces and territories of Canada confirming their agreement with the information set out in Superior's change of auditor notice.

A copy of the reporting package containing the notice and letters referred to above are attached as Appendix A to this circular.

You will be asked to vote for the appointment of Ernst & Young LLP, Chartered Accountants of Toronto, Ontario as our auditor and to authorize the directors to set the auditor's compensation.

The board recommends you vote **FOR** appointing Ernst & Young LLP as our independent auditor until the close of the next annual meeting and authorizing the board to set their compensation.

Deloitte audit fees

The table below lists the services Deloitte LLP provided and the fees we paid them for the years ended December 31, 2016 and 2017.

		2016	2017
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 or other securities offering related services	$3,006,506	$1,998,595
Audit-related fees	Fees for: > 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	$402,162	$367,843
All other fees	Fees requiring prior approval from the audit committee.	$339,753	–
Total fees		**$3,748,421**	**$2,366,438**

4. Voting on amending the by-laws

On December 31, 2008, Superior adopted By-Law No. 1 in connection with the arrangement converting Superior Plus Income Fund to a corporation. Prior to amending By-Law No. 1, the quorum requirement for our shareholder meetings was to have at least two persons present, holding or representing, in the aggregate, at least five percent of the votes eligible to be cast at the meeting, for the meeting to proceed.

On February 14, 2018, the board approved an amendment to section 9.7 of By-Law No. 1 changing the quorum requirements for a shareholder meeting so that the quorum for a shareholder meeting will be least two individuals present, holding or representing not less than 25 percent of our outstanding common shares and an amendment to section 1.1 (f) of Bylaw No. 1 to update the definition of Corporation from Ballard Power Systems Inc. to Superior Plus Corp.

The quorum requirements for a shareholder meeting have been changed to reflect the belief of the board that an increase to the quorum required for a shareholder meeting is in the best interests of the company, as it reflects good governance practices designed to ensure that a broad range and larger number of shareholders are represented at such meetings.

The amendment approved by the board are as follows:

1. "section 9.7 of By-Law No. 1 be deleted in its entirety and replaced with the following paragraph:

   Section 9.7 **Quorum**

   A quorum for the transaction of business at a meeting of shareholders is at least two individuals present at the commencement of the meeting holding, or representing by proxy the holder or holders of shares carrying in the aggregate not less than twenty-five percent of the votes eligible to be cast at the meeting."

2. "section 1.1 (f) of By-Law No. 1 is deleted in its entirety and replaced with the following:

   (f) **Corporation** means Superior Plus Corp.

3. The submission of the foregoing amendments to By-Law No. 1 to the shareholders of the Corporation entitled to vote thereon for approval at the next meeting of shareholders of the Corporation is hereby authorized and approved; and

4. Any one director or officer of the Corporation be and each is hereby, authorized and directed, for and on behalf of the Corporation, to do and perform all acts and things deemed necessary or advisable in order to give effect to this resolution."

The amendments to By-Law No. 1 became effective on February 14, 2018. In order for the amendments to By-Law No. 1 to remain effective following the meeting, the resolution confirming the amendments must be passed by a simple majority of the votes cast.

You will be asked to vote on the following resolution.

"RESOLVED THAT:

1. *the amendment to section 9.7 of By-Law No. 1 to increase the quorum required for a shareholder meeting is hereby confirmed."*

2. *the amendment to section 1.1 (f) of By-Law No. 1 to update the definition of Corporation from Ballard Power Systems Inc. to Superior Plus Corp. is hereby confirmed."*

The board recommends you vote **FOR** the resolution.

5. Voting on amending and renewing the shareholder rights plan

You will vote on continuing, amending and restating our shareholder rights plan agreement. As described below, our shareholder rights plan (Rights Plan) is designed to make sure, to the extent possible, that all shareholders are treated fairly and equally if there is an acquisition of a controlling position in our common shares by any person or group of persons acting together. If continuation of the Rights Plan is not approved at the shareholders meeting, all of the rights issued under our Rights Plan will be deemed to be redeemed following such meeting and the Rights Plan will be terminated. We are also proposing certain amendments to our Rights Plan which are described below in order to align with recent amendments to applicable Canadian securities laws and reflect current market practices.

A summary of the Rights Plan as proposed to be amended is provided in Appendix B on page 78. You can find the full text of the proposed amended and restated Rights Plan on SEDAR at www.sedar.com.

Purpose of the Plan

Historically, one of the purposes of our Rights Plan was to give our board more time than was provided for under applicable Canadian securities laws to pursue alternatives to maximize shareholder value in the event an unsolicited takeover bid was made for the common shares. However, recent amendments have been made to such Canadian securities laws (Legislative Amendments) that have extended the minimum time that a takeover bid must generally remain open for in Canada from 35 days to 105 days, subject to the ability of the target issuer to voluntarily reduce the period to not less than 35 days or the announcement of an alternative transaction by the target board which automatically reduces the period to not less than 35 days. Notwithstanding these Legislative Amendments, there are still concerns relating to the potential for unequal or unfair treatment of shareholders due to the possibility of a creeping takeover of Superior. Our Rights Plan continues to mitigate the potential for such creeping takeovers.

Initiatives to acquire control of Superior may be structured such that they do not always result in all shareholders receiving equal or fair treatment or full or maximum value for their investment. Even with the Legislative Amendments, securities laws can still permit a person to obtain control or effective control of a corporation without paying full value, without obtaining shareholder approval and without treating all shareholders equally. For example, a person could acquire blocks of shares by private agreement from one shareholder or a small group of shareholders at a premium to market price, which premium is not offered to or shared by the other shareholders. In addition, a person could slowly accumulate shares through stock exchange acquisitions which may result, over time, in an acquisition of control or effective control without paying a control premium or fair sharing of any control premium among shareholders.

Our Rights Plan discourages such unequal and unfair treatment of shareholders by creating the potential that any common shares which may be so acquired or held by such an acquirer will be significantly diluted. The potential for significant dilution to the holdings of such an acquirer can occur as the Rights Plan provides that all holders of common shares who are not related to the acquirer will be entitled to exercise rights issued to them under the Rights Plan (Rights) and to acquire common shares at a substantial discount to prevailing market prices. The acquiring person or the persons related to the acquiring person will not be entitled to exercise any Rights under the Rights Plan.

Accordingly, the Rights Plan will encourage potential acquirers to make a formal takeover bid to all shareholders by means of a Permitted Bid (as described in Appendix B) or to approach our board to negotiate a mutually acceptable transaction.

After considering the purpose that our Rights Plan continues to serve, on February 14, 2018, the board unanimously determined that it is appropriate and in the best interests of shareholders that the Rights Plan be approved to continue for another three years, with certain amendments described below, to align with the Legislative Amendments and reflect current market practices. This continuation of the Rights Plan is not being proposed in response to, or in anticipation of, any pending, threatened or proposed acquisition of control or takeover bid and the Rights Plan is not intended as a means to prevent a takeover of Superior, to secure the continuance of management or the directors of Superior in their respective offices or to deter fair offers for the common shares.

At the shareholders meeting, you will vote on ratifying the continuance of the Rights Plan for another three years and approving the changes to it described below.

Proposed Amendments

The board is proposing the following changes to the Rights Plan:

1. Changing the minimum period that Permitted Bids are required to remain open to 105 days (or such shorter minimum period permitted by legislation) to align with the Legislative Amendments.

2. Changing the minimum period that Competing Permitted Bids are required to remain open to be the applicable period required by the Legislative Amendments.

3. Revising the redemption provisions such that Superior will only be required to make a payment to any particular holder for the redemption of their Rights if the required payment is at least $10.00.

4. Expanding the definition of Exempt Acquisition to include an acquisition of Voting Shares (as defined in Appendix B) or securities convertible, exercisable or exchangeable into Voting Shares (Convertible Securities) as an intermediate step in a larger transaction with Superior where the acquiring party has then distributed such securities out to its own security holders.

5. Revising the definition of Beneficial Owner and Beneficial Ownership to clarify the existing exclusion for agreements between Superior and any person to acquire securities pursuant to a statutory procedure which is subject to prior shareholder approval, such as an amalgamation or plan of arrangement; and

6. Making non-substantive housekeeping or administrative amendments to reflect the restatement of the shareholder rights plan agreement itself, correct typographical errors, remove historical provisions no longer relevant and ensure consistency and clarity among provisions.

The board is not proposing other amendments to the Rights Plan at this time. However, in the event that subsequent to the date hereof and prior to the meeting of shareholders any other amendments to the Rights Plan become necessary or advisable in order to satisfy the requirements or guidance of any stock exchange or proxy advisory firm or to otherwise reflect current market practices, Superior will file an updated draft of the Rights Plan incorporating such further proposed amendments on SEDAR at www.sedar.com prior to the shareholder meeting.

Term

Provided the resolution below is approved at the meeting of shareholders, the Rights Plan (unless terminated earlier) will remain in effect until our annual meeting of shareholders in 2021, at which time shareholders may again be asked to consider ratifying and reconfirming the continued existence of the Rights Plan for a further three years.

Approval Required

The following ordinary resolution will be placed before shareholders for consideration and, if thought fit, approval. Except where a shareholder who has given the proxy directs that his or her common shares be voted against such resolution, the appointees named in the accompanying Form of Proxy will vote the common shares represented by such proxy **FOR** such resolution.

"RESOLVED THAT:

1. *The Amended and Restated Shareholder Rights Plan Agreement dated as of February 16, 2012 (as amended and restated) between Superior Plus Corp. ("Superior") and Computershare Trust Company of Canada (the "Rights Agreement") be further amended and restated as described in the Management Proxy Circular of Superior dated February 27, 2018 (including any supplemental disclosure to such Management Proxy Circular filed thereafter), the continued existence of the Rights Agreement is ratified and reconfirmed and Superior is authorized to enter into such amended and restated Rights Agreement.*

2. *Any one or more directors or officers of Superior are hereby authorized to execute and deliver, whether under corporate seal or otherwise, all such agreements, instruments, notices, consents, acknowledgements, certificates and other documents (including any documents required under applicable laws or regulatory policies), and to perform and do all such other acts and things, as any such director or officer in his or her discretion may consider to be necessary or advisable from time to time in order to give effect to this resolution."*

The board recommends you vote **FOR** the resolution.

Under the Rights Plan, the resolution requires the approval of a simple majority of the votes cast at the meeting of shareholders by Independent Shareholders (as defined in the Rights Plan). In effect, all shareholders will be considered Independent Shareholders provided they are not, at the relevant time, an Acquiring Person (as defined in the Rights Plan) or making a takeover bid for Superior. Superior is not aware of any shareholder whose vote at the meeting of shareholders would be excluded for purposes of the approval requirement under the Rights Agreement. The TSX requires that the resolution be passed by a simple majority of the votes cast at the meeting of shareholders by all shareholders.

6. 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 53 for details about our approach).

Our 2017 'say on pay' vote was approved by 93.78% 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.

7. 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 2017. The deadline for submitting shareholder proposals to be considered at next year's annual meeting is November 28, 2018. 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).

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

Nominations for the 2018 annual and special meeting

The corporate secretary has to receive notices of director nominees **before 5 p.m. EST on April 8, 2018** to be included in our list of director nominees for the 2018 annual meeting of shareholders.

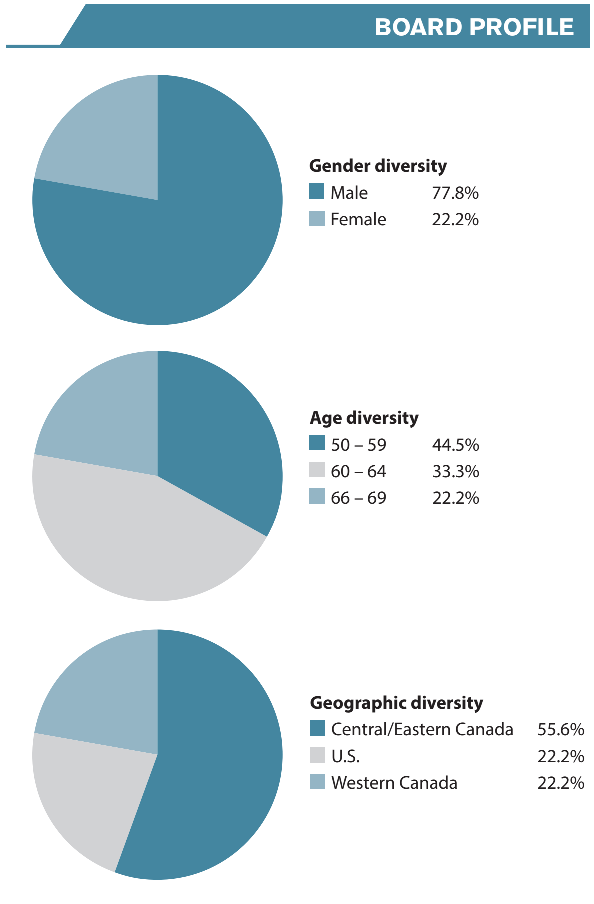
ABOUT THE NOMINATED DIRECTORS

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. On August 9, 2017, we appointed Patrick E. Gottschalk to the board, who brings expertise in the chemicals industry. In addition to deep business and financial acumen, Mr. Gottschalk has significant experience in operations, business development, health and safety, and mergers and acquisitions. The pages that follow tell you about the nominated directors' 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

DIRECTOR PROFILES

Catherine M. Best, B.I.D., FCA, ICD.D
Independent

Calgary, Alberta, Canada
Director since 2007
Age 64

2017 votes for: 91.94%

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 Interim 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.

2017 meeting attendance

Board	8 of 8 (100%)
Board committees	
> Audit (chair)	4 of 4 (100%)
> Governance and nominating	5 of 5 (100%)

Equity ownership (as of December 31, 2017)

> Common shares	7,000	$83,090
> DSUs	51,676	$613,394
Market value		$696,484

Meets her equity ownership requirement (see page 47 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 64

2017 votes *for*: 99.63%

Areas of expertise

- Distribution business
- US business
- Operational management
- Strategic planning
- Enviromental 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.

2017 meeting attendance

Board	8 of 8 (100%)
Board committees	
> Audit	4 of 4 (100%)
> Health, safety and environment	5 of 5 (100%)

Equity ownership (as of December 31, 2017)

> Common shares	15,972	$189,588
> DSUs	39,455	$468,331
Market value		$657,919

Meets his equity ownership requirement (see page 47 for details).

Other public company boards

> None

Superior Plus

Richard C. Bradeen, BCom, CPA, CA

Independent

Montréal West, Quebec, Canada
Director since 2015
Age 61

2017 votes *for*: 99.74%

Areas of expertise

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

Mr. Bradeen is a corporate director and consultant. He 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.

2017 meeting attendance

Board	8 of 8 (100%)
Board committees	
> Audit	4 of 4 (100%)
> Compensation	4 of 4 (100%)

Equity ownership (as of December 31, 2017)

> Common shares	10,000	$118,700
> DSUs	32,955	$391,176
Market value		$509,876

Meets his equity ownership requirement (see page 47 for details).

Other public company boards

> Stantec Inc. (TSX)
Audit Committee

Luc Desjardins, MBA

Not independent

Toronto, Ontario, Canada
Director since 2011
Age 65

2017 votes *for*: 98.79 %

Areas of expertise

- Distribution business
- Energy business
- US business
- Operational management
- Strategic planning
- Marketing/sales
- Human resources/compensation
- 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 in the US 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, US 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 chair of three enterprises involved in the distribution industry, as well as the energy products and services industry.

2017 meeting attendance

Board	8 of 8 (100%)

Equity ownership (as of December 31, 2017)

> Common shares	347,456	$4,124,303	Meets his equity ownership requirement (see page 47 for details).
> RSUs/PSUs	563,934	$6,693,897	
Market value		$10,818,200	

Debt ownership (as of December 31, 2017)

> 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 67

2017 votes *for*: 98.49%

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 one other public company, and is a director of EllisDon Corporation which is 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.

2017 meeting attendance

Board	8 of 8 (100%)
Board committees	
> Audit	4 of 4 (100%)
> Governance and nominating (chair)	5 of 5 (100%)

Equity ownership (as of December 31, 2017)

> Common shares	20,000	$237,400
> DSUs	59,843	$710,336
Market value		$947,736

Other public company boards

> Pembina Pipeline Corporation (TSX, NYSE)
Chair of the Board
Governance and Nominating committee

Meets his equity ownership requirement (see page 47 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 US 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.

Patrick E. Gottschalk, BSChE, MBA
Independent

Philadelphia, Pennsylvania, USA
Director since 2017
Age 54

2017 votes *for*: N/A

Areas of expertise
- Chemical business
- US business
- International business
- Operational management
- Mergers and acquisitions
- Environment and safety

Mr. Gottschalk is a corporate director. Mr. Gottschalk served as President of Dow Chemical Company's (Dow Chemical) coatings, monomer and plastic additives business from 2012 to 2016. Mr. Gottschalk served in positions with increasing responsibility within Dow Chemical since 2001. Prior to that, he held various roles at Union Carbide Corporation in the M&A, Commercial and business integration areas.

In addition to deep business and financial acumen, Mr. Gottschalk brings significant experience in operations, business development, health and safety and integrating companies after mergers and acquisitions.

2017 meeting attendance

Board	3 of 3 (100%)
Board committees	
> Audit	1 of 1 (100%)
> Health, safety and environment	2 of 2 (100%)

Equity ownership (as of December 31, 2017)

> Common shares	30,000	$356,100
> DSUs	7,873	$93,453
Market value		$449,553

Meets his equity ownership requirement (see page 47 for details).

Other public company boards

> None

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

Burlington, Ontario, Canada
Director since 2015
Age 58

2017 votes *for*: 98.76%

Areas of expertise
- Distribution business
- US 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. In the past, he has served on the boards of the Conference Board of Canada, Hamilton Utilities Corporation, Horizon Utilities, Mohawk College 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 US 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.

2017 meeting attendance

Board	8 of 8 (100%)
Board committees	
> Audit	4 of 4 (100%)
> Health, safety and environment	5 of 5 (100%)

Equity ownership (as of December 31, 2017)

> Common shares	9,600	$113,952
> DSUs	24,962	$296,299
Market value		$410,251

Meets his equity ownership requirement (see page 47 for details).

Other public company boards

> None

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

Independent

Vancouver, British Columbia, Canada
Director since 2014
Age 58

2017 votes *for*: 99.61%

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, 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.

2017 meeting attendance

Board	7 of 8 (88%)
Board committees	
> Compensation (chair)	4 of 4 (100%)
> Governance and nominating	5 of 5 (100%)

Ms. Jordan could not attend the meeting on January 25, 2017 because of a prior commitment.

Equity ownership (as of December 31, 2017)

> Common shares	5,000	$59,350
> DSUs	44,464	$527,788
Market value		$587,138

Meets her equity ownership requirement (see page 47 for details).

Other public company boards

> None

David P. Smith, CFA, HBA
Independent

Toronto, Ontario, Canada
Director since 1998
Age 59

2017 votes *for:* 96.72%

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

Mr. Smith was appointed Chair 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.

2017 meeting attendance

Board (Chair)	8 of 8 (100%)
Board committees	
> Compensation	4 of 4 (100%)
> Governance and nominating	5 of 5 (100%)

Equity ownership (as of December 31, 2017)

> Common shares	75,681	$898,333
> DSUs	77,699	$922,288
Market value		$1,820,621

Meets his equity ownership requirement (see page 47 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 Chair 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 2017 and overall attendance.

	Meetings held	Attendance
Board of directors (includes a two-day strategy session)	8	96%
Audit committee	4	100%
Governance and nominating committee	5	100%
Compensation committee	4	94%
Health, safety and environment committee	5	100%

The table below shows the number of board and committee meetings each of the directors attended in 2017. You can see each director's individual attendance record in the profiles beginning on page 17.

	Board meetings		Committee meetings		Total board and committee meetings	
Catherine M. Best	8 of 8	100%	9 of 9	100%	17 of 17	100%
Eugene V.N. Bissell	8 of 8	100%	9 of 9	100%	17 of 17	100%
Richard C. Bradeen	8 of 8	100%	8 of 8	100%	16 of 16	100%
Luc Desjardins	8 of 8	100%	–	–	8 of 8	100%
Randall J. Findlay	8 of 8	100%	9 of 9	100%	17 of 17	100%
Patrick E. Gottschalk	3 of 3	100%	3 of 3	100%	6 of 6	100%
Douglas J. Harrison	8 of 8	100%	9 of 9	100%	17 of 17	100%
Mary B. Jordan[1]	7 of 8	88%	9 of 9	100%	16 of 17	94%
David P. Smith	8 of 8	100%	9 of 9	100%	17 of 17	100%
Directors not standing for re-election						
Walentin Mirosh[2]	6 of 8	75%	8 of 9	89%	14 of 17	82%

[1] Ms. Jordan could not attend the board conference call on January 25, 2017 because of a prior commitment.

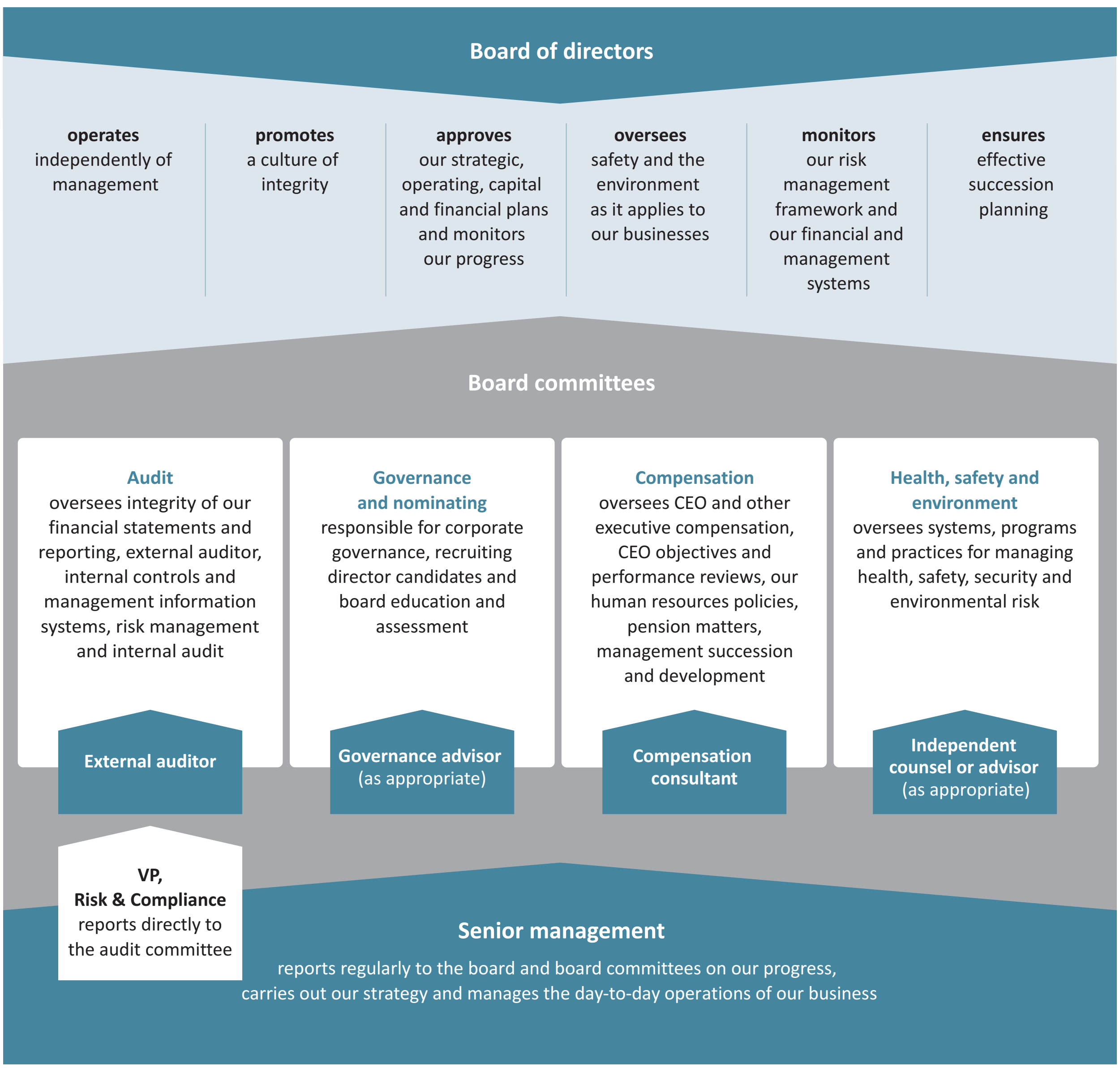
[2] Mr. Mirosh could not attend the board conference call on January 25, 2017, the strategy meetings on October 3 and 4, 2017 and the Compensation Committee meeting on August 8, 2017 because of prior commitments.

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 42.

The Chair 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 Chair 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			Governance and nominating committee	Compensation committee	Health, safety and environment committee
Director	Yes	No	Audit committee			
Catherine M. Best	√		chair	√		
Eugene V.N. Bissell[1]	√		√			√
Richard C. Bradeen	√		√		√	
Luc Desjardins		√				
Randall J. Findlay	√		√	chair		
Patrick E. Gottschalk	√		√			√
Douglas J. Harrison	√		√			√
Mary B. Jordan	√			√	chair	
David P. Smith, Chair	√			√	√	
Directors not standing for re-election						
Walentin Mirosh	√				√	chair

[1] On February 14, 2018, the board appointed Mr. Bissell as Chair of the HS&E committee and a member of the Compensation committee effective as of May 9, 2018. As a result, Mr. Bissell will no longer be a member of the Audit committee, effective as of May 9, 2018.

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 2017, 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 Chair 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, a member of the senior leadership team, the whistleblower committee c/o the Vice President, Risk and 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, Risk and 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.

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 short-term incentive award. 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 50.

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 our conduct 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. In 2017, we identified a list of high potential employees and have put development plans in place for management succession planning and to meet strategic objectives.

Leadership diversity

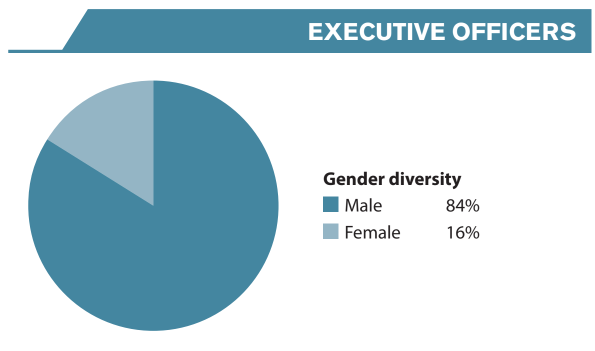
We value the importance of having a diverse leadership team because it provides richer experience and a broader perspective to leadership and decision-making.

In 2017, we deployed a company-wide strategy in each business, which includes diversity training for all new and existing employees, integrated diversity into our talent strategies, regular monitoring and reporting progress, introduced specific initiatives to attract more women to various management roles and initiated an internal mentorship program for selected hi-potential female managers.

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 total number of female executives increased from 3 to 5 years, resulting in part from a renewed focus on diversity that began in 2015 when the board's governance and nominating committee began working on a broader diversity strategy for the company. 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 presidents):

	Number of executive officers	
as at December 31, 2017	**Male**	**Female**
Superior	7	2
Business divisions	20	3
Total	27	5

Superior’s Executive Vice President and Chief Financial Officer is a woman and a named executive (see page 50).



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, Executive 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 2017, each quarter, at investor conferences and at our annual meeting of shareholders. Various board members have, in past years met with the Canadian Coalition for Good Governance and proxy advisory firms to generate dialogue and get feedback on various topics.

We held another 'say on pay' advisory vote for shareholders at our 2017 annual meeting because we believe it's an effective way to receive shareholder feedback on this important issue. Last year we received 93.78% support for our approach to executive compensation.

How to contact the board

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

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

ABOUT THE DIRECTORS

Diversity

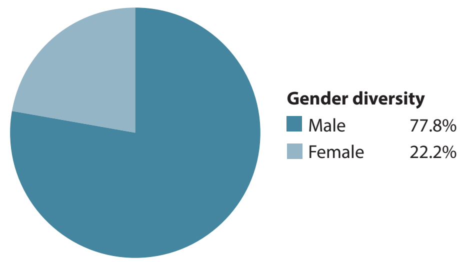
Diversity of background, experience and other attributes is valuable because it brings different perspectives for more informed decision-making.

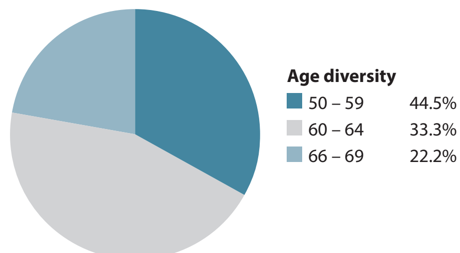
In February 2015, we adopted a board diversity policy on the recommendation of the governance and nominating committee. Our policy is broad-based, and considers gender as well as skills, experience, education, age, ethnicity and geographic location to be important factors when assessing the composition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

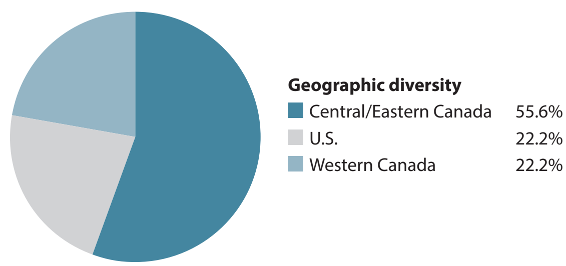
The governance and nominating committee is committed to considering all of these factors in its recruitment process so we achieve an appropriate level of diversity on the board, however merit and ensuring an appropriate balance of skills and expertise remain the overriding criteria when selecting a suitable 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, experience and geography. Fifty percent of the candidates who were shortlisted were women with sixty percent of the interviewed candidates being women. After a thorough vetting process, we appointed Mr. Gottschalk to the board on August 9, 2017, a US resident who has the right mix of experience in the international business, chemicals and health and safety areas.

BOARD PROFILE







The committee has put an increasing emphasis on board diversity and discusses the matter at least quarterly. 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 36 and the diversity of our leadership team on page 33.

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 five most recent board additions, we added depth of experience in critical areas including distribution business, US business, chemical business, international business, environment and safety, mergers and acquisitions, and technology.

Director	Education	Distribution business	Chemical business	Energy business	US 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 M. Best	B.I.D., FCA, ICD.D	2	2	3	2	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	2	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	3	2	3	2	2
Randall J. Findlay	BASc, P.Eng, ICD.D	2	2	3	2	1	2	3	3	2	2	1	2	3	2	2	3	1
Patrick E. Gottschalk	BSChE, MBA	2	3	2	3	3	3	1	2	2	3	2	2	1	1	2	2	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	2	3	2	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																		
Walentin Mirosh	BSc, MASc, LLB	2	3	3	2	2	2	3	3	1	3	1	3	2	1	2	2	2

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 26 for a discussion of director attendance in 2017.

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 47 for details and current share ownership.

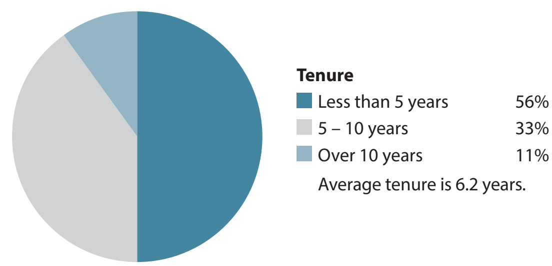
Tenure and term limits

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.

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

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

TENURE



Retirement age

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

In 2017, we formalized our existing informal retirement policy that directors retire after the annual meeting that follows their 72nd birthday (the retirement age set by the board in 2011) by adopting a Mandatory Retirement Policy. Under the policy, the governance and nominating committee considers each director's situation individually and can choose to extend their term beyond the age of 72. Mr. Mirosh will not be standing for re-election at this annual meeting as he 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 and private company directorships and executive officer appointments at least once a year to make sure that directors can meet their commitments to Superior, and in the context of external governance recommendations. In 2017, the governance and nominating committee determined that directors must provide notice in writing to the chair of the governance and nominating committee and our Senior Vice President and Chief Legal Officer and obtain clearance before accepting new director appointments.

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 17.

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 Chair 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 description 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. In 2017, we enhanced the orientation program based on feedback received from recently appointed directors who completed the director onboarding program.

Orientation

> The Chair 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, policies and guidelines, board and committee mandates, meeting schedules, board fees and indemnification matters, relevant business and operational information, and key legal and HR documents. The information binder is updated as required.

> All material included in the information binder is also posted electronically at a central location on the online board portal and also includes analyst reports and other reports distributed to directors in between meetings for easy reference.

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
- 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.

The table below shows the director education activities which occurred in 2017.

Date	Activity
March 29, 2017	> Site visit to Ste. Catherine and Buckingham plants
February 16, 2017	> Presentation by CIBC Chief Economist, Avery Shenfeld on the Global Outlook for the next few years
May 1, 2017	> Presentation by John Engelen, Vice President, M&A, entitled "Building a Solid North American Energy Platform"
October 4, 2017	> In-person training to educate directors on recent upgrades to functionality and new tools available on the online board portal
October 4, 2017	> Presentation by Maurizio Laudisa, VP IS & Procurement on Superior Propane's digital offerings and technology solutions to grow the customer base and improve the customer experience
November 8, 2017	> Presentation by outside consultant for Superior Propane on its Government Relations strategy
November 8, 2017	> Presentation by CIBC on drivers for shareholder growth

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 governance and nominating committee has the authority to hire a professional search firm to assist in identifying and screening qualified candidates. With the assistance of such consultant, after a thorough search process lasting several months and numerous candidate interviews, the governance and nominating committee identified Mr. Gottschalk who was appointed to the board on August 9, 2017.

Chair of the Board succession

The governance and nominating committee is responsible for establishing a succession plan for the Chair 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 Chair of the Board. The committee recommended the appointment of our current Chair of the Board, David Smith, on August 6, 2014.

If the Chair 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 Chair until a new Chair 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, Chair of the Board, committee chairs and individual directors.

In 2017, we refined the evaluation process to include a peer evaluation component where each director assessed their fellow directors on areas of strength and improvement.

The survey is confidential and has the following sections:

- a section on the responsibilities of the board
- a section on board operations to evaluate the functioning of the board and its committees
- a section on board effectiveness
- a section on peer evaluation where directors assess their fellow directors
- 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 survey also has open-ended questions about improving board and committee effectiveness to encourage directors to give candid feedback and constructive comments.

The survey is completed by all directors electronically followed by individual meetings with the Chair of the Board or chair of the governance and nominating committee which are conducted in person or by phone. These sessions give directors an opportunity to add further context and depth to the responses given in the survey, 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 Chair of the Board 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 Chair 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 Chair of the Board or the chair of the governance and nominating committee 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. This year, the CEO provided a written response to the board outlining management's action plan and initiatives that are underway to address the feedback received from the survey and interview results.

2017 COMMITTEE REPORTS

Audit committee

> Catherine M. Best (chair) > Eugene V.N. Bissell > Richard C. Bradeen > Randall J. Findlay > Patrick E. Gottschalk (effective August 9, 2017) > 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. Three of our audit committee members hold either a FCA, CPA, CA or CMA designation (see page 28). The committee met four times in 2017. 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 2017 audit plan > Confirmed the independence of the external auditor and reviewed its performance for the year > Recommended all services provided by external auditor > Received reports on management's evaluation of the performance of the external auditor > Completed a comprehensive auditor review and selection process and identified Ernst & Young as the new external auditor
Oversee the effectiveness of our internal controls over financial reporting, and compliance with legal and regulatory requirements	> Approved the three-year internal audit plan and compliance budget for 2018 > Reviewed and approved changes to market risk policies of US Refined Fuels and Superior Gas Liquids > Reviewed reports on our compliance with applicable laws and securities regulations > Reviewed whistleblower reports
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 > Reviewed significant legal actions > Reviewed external counsel's advice on the board's responsibilities associated with cyber risk management and best practices for managing cyber risk > Reviewed tax assessments and monitored changes to US tax laws > Confirmed the adequacy of our insurance program
Review major financial transactions	> Reviewed our financing plans being put in place to meet our growth plans > Reviewed management's accounting treatment for acquisitions made in 2017 > Reviewed the financial statements disclosed in offering documents and the business acquisition report
Ensure our governance policies are consistent with best practices	> Reviewed our accounting practices and key 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 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 five times in 2017. 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 > Reviewed our code of business conduct and ethics and monitored compliance > Reviewed our anti-corruption, privacy, disclosure, confidentiality and insider trading policies and monitored compliance > Considered ongoing board diversity initiatives and management diversity strategy > Reviewed as part of our formal records retention policy, a policy on retention of meeting notes > Received ongoing reports on regulatory developments > Monitored director independence, conflict of interest matters, interlocking directorships and overboarding
Manage board renewal and succession	> Reviewed the composition of the board and committees > Reviewed the new format of the board's skills matrix which included details of directors' educational qualifications > Completed recruitment of a new director to the board in 2017 > Considered age, gender and tenure of board members, particularly as these relate to succession planning > Adopted a formal mandatory retirement policy for directors > Reviewed and considered board size, director and committee term limits
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 > Enhanced the board assessment process to include a new peer evaluation component and conducted director interviews > Discussed the results of the board assessment and management's action plan to address areas for improvement identified from the board assessment results
Coordinate director orientation and continuing education	> Monitored and provided input on the continuing education program for directors in 2017 > Reviewed and enhanced the existing director orientation program

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 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 four times in 2017. 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 policies > Reviewed the results of the 2017 say-on-pay advisory vote, and recommended to the board to hold another advisory vote on executive compensation in 2018 > Reviewed the competitiveness of executive pay and the compensation peer group to benchmark executive compensation > Reviewed the metrics for the incentive plans to make sure they are appropriate and aligned with business objectives > Reviewed and recommended amendments to the long-term incentive plan to address certain administrative matters > Recommended 2018 performance objectives and targets for each executive's short-term incentive award to the board for review and approval > Reviewed and confirmed the existing share ownership guidelines for the directors, named executives and other senior executives > 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 short-term incentive 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 > With input from Mercer and external legal counsel recommended amendments to executive employment agreements to align with market practice
Oversee management succession	> Reviewed the performance and development plans of the executive team, high potential employees and management succession plan > Considered and provided feedback on the proposed senior management structure
Oversee the governance of employee pension plans	> Reviewed the financial position of our pension plans and activities of the management pension review committee > Reviewed and approved the merger of two of ERCO's pension plans and de-risking strategy for another plan
Oversee the director compensation program	> Reviewed director compensation to ensure it stays competitive with the market and relevant to our needs > Implemented a new travel fee to compensate directors for time spent travelling on behalf of the company > Established guidelines for compensating directors for their onboarding work and the initial equity retainer for newly appointed directors
Oversee our compensation public disclosure	> Reviewed the executive compensation aspects of the proxy advisor reports > Reviewed the executive compensation disclosure included in our public documents

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 Mirosh (chair) > Eugene V.N. Bissell > Robert J. Engbloom (until May 1, 2017) > Patrick E. Gottschalk (effective August 9, 2017) > Douglas J. Harrison	The health, safety and environment committee oversees the development, monitoring and implementation of systems, programs and practices for managing health, safety, security and environmental risk. The committee met five times in 2017. 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 to prevent and mitigate loss > Reviewed and approved the 3-year safety plans developed and presented by management > Reviewed and recommended to the board for approval a corporate level Safety Policy > Reviewed and amended the health, safety and environment committee mandate > Received report on the new HS&E management structure to enhance the executive level leadership, governance and reporting in the HS&E area
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 by ERCO and Superior Propane > Reviewed reports from Risk and Compliance on its initiatives and findings in the health, safety and environment area
Set safety targets for all the business units that are connected to executive compensation	> Recommended safety targets for the compensation committee to include in our executive objectives > Worked with management to recommend appropriate safety targets for the division's 3-year safety plan for each division
Identify and mitigate health, safety and environmental risks	> Evaluated our risk profile for the production, handling and transportation of hazardous materials > Reviewed proposed public policy, legislation and regulations relating to health, safety and the environment that would impact our business, focusing on climate change > Reviewed findings and mitigating actions from divisions on specific audits and incidents
Oversee our regulatory compliance and public disclosure	> Reviewed our corporate social responsibility mandate and reporting > Reviewed and provided feedback on Superior Propane's regulatory compliance matters

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 58 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. In 2017, the committee retained Mercer for a formal review of director compensation. Based on the review and findings, Mercer advised that our director compensation was around the median compensation of our peer group, but recommended that a travel fee be introduced to compensate directors who travel more than an hour to a board or committee meeting. As a result, the committee recommended and the board approved a new travel fee for directors on August 9, 2017 to compensate directors who travel more than an hour to a board or committee meeting effective from the October 2017 meetings.

Non-executive directors receive cash and equity retainers for serving on the board, as listed in the fee schedule below. The annual 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. All US resident directors receive their fees (or value of their DSU awards) in US dollars.

2017 fee schedule for non-executive directors	Cash
Annual board retainer (can be paid in cash, as DSUs, or a combination)	
> Chair of the Board	$145,000
> Directors	$40,000
Annual committee retainer	
> Chair of the Board	–
> Audit committee chair	$17,000
> All other committee chairs	$10,000
> Directors	$5,000
Board and committee meeting attendance fees	
> Chair of the Board	–
> Audit committee chair	$2,000
> All other committee chairs	$2,000
> Directors	$1,500
Travel Fee (approved August 9, 2017)	
> For travel under an hour	–
> For travel between 1 and 3 hours	$500
> For travel more than 3 hours	$1,500
Annual Retainer	**Equity** (value awarded once a year as DSUs)
> Chair 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 60.

	Equity ownership required	Time to meet the requirement
Chair 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 2016 and 2017. 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, 2017, all of the directors had met their equity ownership requirement.

	December 31, 2016		December 31, 2017		Net change		Value as at December 31, 2017	Meets equity ownership requirement
	Common shares (#)	DSUs (#)	Common shares (#)	DSUs (#)	Common shares (#)	DSUs (#)	($)	
Catherine M. Best	7,000	42,491	7,000	51,676	–	9,185	696,894	Yes
Eugene V.N. Bissell	15,972	29,229	15,972	39,455	–	10,226	659,918	Yes
Richard C. Bradeen	10,000	22,871	10,000	32,955	–	10,084	509,876	Yes
Randall J. Findlay	20,000	49,767	20,000	59,843	–	10,076	947,736	Yes
Patrick E. Gottschalk	–	–	30,000	7,873	30,000	7,873	449,553	Yes
Douglas J. Harrison	9,600	17,283	9,600	24,962	–	7,679	410,251	Yes
Mary B. Jordan	5,000	32,562	5,000	44,464	–	11,902	587,138	Yes
David P. Smith	72,859	61,917	75,681	77,699	2,822	15,782	1,820,621	Yes
Directors not standing for re-election								
Walentin Mirosh	8,000	42,004	7,400	51,189	(600)	9,185	695,451	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 dollar amount of the retainer or award 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 satisfied by cash payments and do not involve the issuance of any common shares.

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 2017. Mr. Desjardins does not receive fees for serving as a director – please turn to page 69 for information about his compensation as President and CEO.

	Cash retainer				Equity Retainer[1] ($)	Travel Fees[2] ($)	All other Compensation[3] ($)	Total Compensation ($)
	Annual Board ($)	Percent received as DSUs[4]	Annual Committee ($)	Meeting fees ($)				
Catherine M. Best	40,000	–	22,000	29,000	80,000	3,000	–	174,000
Eugene V.N. Bissell[5]	51,622	–	12,906	34,941	101,960	3,842	1,998	207,269
Richard C. Bradeen	40,000	100%	10,000	25,500	80,000	2,000	1,500	159,000
Randall J. Findlay	40,000	–	15,000	29,500	80,000	3,000	–	167,500
Patrick E. Gottschalk[6]	20,130	100%	5,048	13,396	75,940	3,842	–	118,356
Douglas J. Harrison	40,000	-	10,000	27,000	80,000	500	1,500	159,000
Mary B. Jordan	40,000	100%	15,000	27,500	80,000	3,000	–	165,500
Walentin Mirosh	40,000	–	15,000	23,500	80,000	1,500	1,500	161,500
David P. Smith	145,000	–	–	–	145,000	500	–	290,500
Director not standing for re-election after the May 2, 2017 AGM								
Robert J. Engbloom	13,507	–	1,688	6,000	–	–	–	21,195
							Total	**1,623,820**

1 The number of DSUs was determined by dividing the retainer amount by $12.1339 (the five-day weighted average price of our common shares starting on the second day after the award date (November 16, 2017). Does not include the portion of the annual cash retainer taken as DSUs.

	Number of DSUs awarded
David P. Smith (Chair of the Board)	11,950
Eugene V.N. Bissell	8,403
Patrick E. Gottschalk	4,201
All other non-executive directors	6,593

Mr. Gottschalk joined the board on August 9, 2017 and he was awarded an annual DSU grant of US$40,000, representing a prorated annual equity retainer. He also received a DSU grant for his onboarding efforts (see note 6).

2 Travel fees approved at the August 9, 2017 board meeting and effective for travel by directors from the October, 2017 meetings.

3 Includes fee paid for site visit on March 29, 2017.

4 All or some of the annual cash retainer can be taken in the form of DSUs. Percentage of annual cash retainer taken as DSUs indicated in column below.

5 Mr. Bissell's cash retainer for 2017 was awarded in US dollars and converted to Canadian dollars using the following noon exchange rates:
> US$1 = $1.3322 on March 31, 2017
> US$1 = $1.3015 on June 29, 2017
> US$1 = $1.2480 on September 29, 2017
> US$1 = $1.2805 on December 14, 2017

His equity retainer was awarded in US dollars and converted to Canadian dollars using the noon exchange rate on the grant date:
> US$1 = $1.2745 on November 16, 2017.

6 Mr. Gottschalk joined the board on August 9, 2017 and his cash retainer and equity retainer were awarded in US dollars for 2017. Mr. Gottschalk received a DSU grant of US$20,000, equal to 25% of his annual retainer for his onboarding efforts. The value of such DSUs granted is included in the column with his prorated equity retainer. The value of this DSU grant was converted to Canadian dollars using the following noon exchange rate:
> US$1 = $1.2480 on September 29, 2017.

His cash retainer was converted to Canadian dollars using the following noon exchange rates:
> US$1 = $1.2480 on September 29, 2017
> US$1 = $1.2745 on November 16, 2017
> US$1 = $1.2805 on December 14, 2017.

His prorated equity retainer of US$40,000 was converted to Canadian dollars using the noon exchange rate on the grant date:
> US$1 = $1.2745 on November 16, 2017.

DIRECTOR OUTSTANDING SHARE-BASED AND OPTION-BASED AWARDS

The table below shows the value of DSUs owned by the directors as at December 31, 2017. 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, 2017 by $11.87, the closing price of Superior common shares on the TSX on December 29, 2017. 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 M. Best	–	–	–	–	–	–	613,394
Eugene V.N. Bissell	–	–	–	–	–	–	468,331
Richard C. Bradeen	–	–	–	–	–	–	391,176
Randall J. Findlay	–	–	–	–	–	–	710,336
Patrick E. Gottschalk	–	–	–	–	–	–	93,453
Douglas J. Harrison	–	–	–	–	–	–	296,299
Mary B. Jordan	–	–	–	–	–	–	527,788
Walentin Mirosh	–	–	–	–	–	–	607,613
David P. Smith	–	–	–	–	–	–	922,287

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

The table below shows the value of the DSUs vested or earned in 2017. 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 M. Best	–	80,000	–
Eugene V.N. Bissell[1]	–	101,960	–
Richard C. Bradeen	–	80,000	–
Randall J. Findlay	–	80,000	–
Patrick E. Gottschalk[1,2]	–	75,940	–
Douglas J. Harrison	–	80,000	–
Mary B. Jordan	–	80,000	–
Walentin Mirosh	–	80,000	–
David P. Smith	–	145,000	–
Director not standing for re-election after the May 2, 2017 AGM			
Robert J. Engbloom[3]	–	694,602	–

1 The value of Mr. Bissell's and Mr. Gottschalk'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 = $1.2745 on November 16, 2017. Mr. Gottschalk was awarded an annual DSU grant of US$40,000 representing a prorated annual equity retainer.

2 Includes US$20,000 of DSUs granted to Mr. Gottschalk for his onboarding efforts that vested during the year which was converted to Canadian dollars using the noon exchange rate on the grant date: US$1 = $1.2480 on September 29, 2017.

3 The value of Mr. Engbloom's DSUs which was paid out on October 18, 2017 was calculated using the 5-day volume weighted average of our common shares of $12.7529 immediately before the payment date.

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 53
- make compensation decisions – see page 54
- manage compensation risk – see page 55
- benchmark compensation against our peers – see page 58
- align compensation with performance and shareholders – see page 59.

It also tells you about the compensation program in detail, and what our compensation decisions were for 2017 – see page 61.

Our named executives for 2017

This year's named executives include the President and Chief Executive Officer, the Executive 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 in the US. 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, Executive Vice President and Chief Financial Officer

Ms. Summers joined Superior on November 23, 2015 as Vice President and Chief Financial Officer, was appointed Senior Vice President on September 1, 2016 and promoted to Executive Vice President on January 1, 2018. Before joining the company, she was Senior Vice President and 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 McCamus, President, Energy Distribution and Superior Propane

Mr. McCamus joined Superior Energy Management as President in 2005 and became President of US 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.

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 and the Ontario bar in 2015.

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.

2017 compensation decisions

Total compensation for the named executives in 2017 is approximately $0.1 million more than it was in 2016. Superior's strong financial performance compared to our objectives for 2017 resulted in increased short-term incentive payments of approximately $0.5 million which were offset by lower value long-term incentive awards and the non-recurrence of certain one time items in the prior year. The increase in our short-term incentive payments was primarily due to the fact that we earned AOCF of $1.75 per share in 2017 which was the top end of our 2017 corporate financial target for short-term incentive payments and two of our four businesses also achieved the top end of their 2017 annual financial targets for short-term incentive payments.

You can read about each named executive's compensation this year starting on page 61.

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:

New travel fee: The compensation committee is also responsible for director compensation, and this year we introduced a new travel fee for directors to compensate directors for time spent travelling on behalf of Superior.	page 46
Changes to the executive employment agreements: We revised the executive employment agreements of each of our senior executives, except Mr. Desjardins, to align with current market practice.	page 73

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 five areas of focus:

> **growth** – increasing our sales organically and by acquisition
> **divestiture** – exiting from non-strategic assets
> **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 respect, accountability, continuous improvement and execution.

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 42 for information about the committee and its key activities this year, and to page 36 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.

Superior Plus

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 short-term incentive plan 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 short-term incentive plan.

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 short-term incentive plan
- determine the short-term incentive awards for the CEO and named executives
- approve grants of long-term incentive awards
- approve annual goals.

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.
- Short-term incentive awards have minimum performance thresholds and are capped.
- Long-term incentive awards are 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 position, 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, assessment of 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.

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 compensation 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 2017 included:

- reviewing the CD&A in Superior's 2017 management information circular
- reviewing the structure and mechanics of Superior's long-term incentive plan
- reviewing and advising on administrative changes relating to the selection of applicable valuation dates for certain PSUs
- advising on the competiveness and appropriateness of compensation for the CEO and other top executive officers
- reviewing and advising on the competiveness of the director compensation program
- attending four compensation committee meetings.

The compensation committee also holds *in camera* meetings with Mercer without any management present.

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 its 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 2016 and 2017.

	2016	2017
Executive compensation-related fees Fees paid to Mercer for executive and director compensation services provided to the committee	$105,905	$46,881
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	$19,263	$14,370
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.	$355,604	$392,796
Total fees	$480,772	$454,047

BENCHMARKING

We benchmark total direct compensation, pay mix, and targets for the short-term incentive and long-term incentive awards against data from Canadian and US 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. Progressive Waste Solutions Ltd. has merged with Waste Connections Us. Inc. and been removed from the peer group.

The peer group now includes 14 companies from Canada and the US: seven oil and gas companies, six 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 2017 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

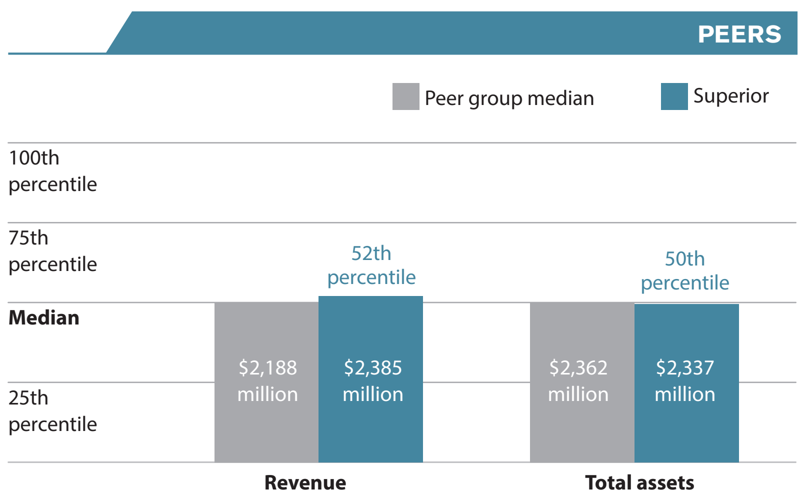
Chemicals and distribution

- Methanex Corp
- Chemtrade Logistics Inc
- Finning International Inc
- Toromont Industries Ltd
- 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, 2017.



TOTAL COMPENSATION APPROACH

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

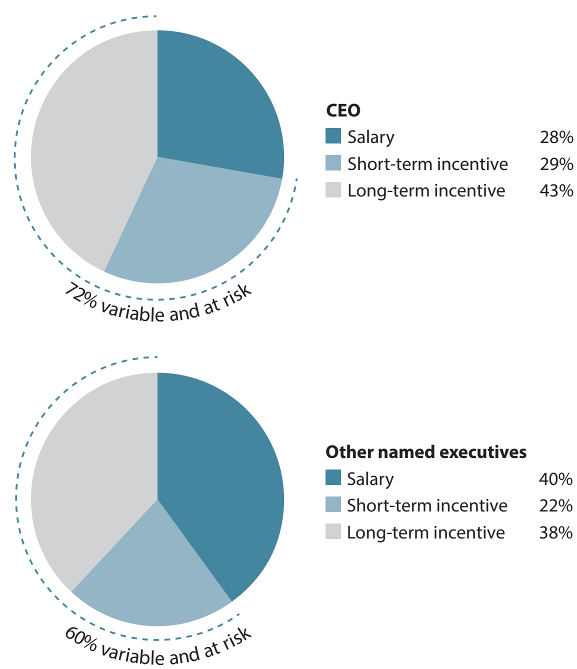
		Form	Performance period	Objectives
Total direct compensation				
1. Salary	Fixed	Cash	1 year	> Provide a fixed level of income > Attract and retain talent
2. Short-term incentive	Variable	Cash	1 year	> Reward contribution to overall performance > Focus executives on annual corporate and individual goals > 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 2017 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	
Senior Vice President and Chief Legal Officer	**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 short-term incentive 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, 2017. At that time, all of the named executives had either met or were on track to meet their equity ownership requirement.

	2017 total equity requirement	Minimum required to be held in common shares	Ownership as of December 31, 2017				Meets total equity ownership requirement	Holds required minimum in common shares
			Common shares		RSUs and PSUs			
			#	Value	#	Value		
Luc Desjardins	$4,005,000	$1,780,00	347,456	$4,124,303	563,934	$6,693,897	Yes	Yes
Beth Summers	$1,275,000	$425,000	8,000	$94,960	125,396	$1,488,451	Yes	On track for November 23, 2020
Greg McCamus	$1,377,000	$459,000	43,604	$517,509	180,469	$2,142,167	Yes	Yes
Darren Hribar	$561,600	$187,200	8,400	$99,708	83,359	$989,471	Yes	On track for September 1, 2021
Ed Bechberger	$1,103,130	$367,710	24,380	$289,391	143,596	$1,704,485	Yes	On track for January 1, 2020

The value of common shares, RSUs and PSUs is calculated using $11.87, the closing price of Superior common shares on the TSX on December 29, 2017. RSUs and PSUs include reinvested dividends. PSUs assume a performance multiplier of 1 (see page 66 for more information about PSUs).

2017 COMPENSATION DETAILS

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	2017	890,000	1,742,748	–	1,409,760	–	13,115	89,702	4,145,325
	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
Beth Summers Executive Vice President and CFO[6]	2017	425,000	499,340	–	415,395	–	13,115	37,059	1,389,909
	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	2017	459,000	494,326	–	343,103	–	13,115	35,804	1,345,348
	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
Darren Hribar Senior Vice President and CLO[7]	2017	377,400	369,492	–	380,193	–	13,115	33,945	1,174,145
	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
Ed Bechberger President, Specialty Chemicals	2017	367,710	396,008	–	340,132	–	42,000	5,269	1,151,119
	2016	360,500	442,065	–	269,474	–	42,000	–	1,114,039
	2015	350,000	567,002	–	64,570	–	40,000	–	1,021,572

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 November 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 67 for information about the long-term incentive plan.

2 Cash payouts earned for the year under our short-term incentive plan. Typically paid out in the first quarter of the following year. See page 62 for information about the short-term incentive plan.

3 The compensatory change in our registered pension plans (see page 71 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 vehicle allowance, parking, medical benefits, club membership and non-registered savings plan, which in the case of Mr. Desjardins includes $58,023 contributed to his non-registered savings plan.

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 short-term incentive 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.

COMPONENTS AND 2017 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 58 for more about benchmarking).

2017 salaries

The table below shows the salaries paid to the named executives in 2016 and 2017.

The board approved a general 2.3% increase in salaries for 2017, in line with the anticipated national average salary increase in Canada for 2017 (estimated at around 3%), and consistent with competitive average salary increases, normal salary progression levels and increased responsibilities.

	2016 annual salary ($)	2017 annual salary ($)	Change
Luc Desjardins	870,000	890,000	2.30%
Beth Summers	410,000	425,000	3.66%
Greg McCamus	450,000	459,000	2.00%
Darren Hribar	356,667	377,400	5.81%
Ed Bechberger	360,500	367,710	2.00%

2. Short-term incentive plan

The short-term incentive 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 56).

The compensation committee can use its discretion to adjust the amount of the short-term incentive, assessment of 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.

2017 short-term incentive

The table below shows the short-term incentive paid to each named executive for 2017, and how it was calculated.

	Salary	x	Short-term incentive Target	x	[Corporate *or* Business performance multiplier x 70%	+	Individual performance multiplier x 30%]	=	2017 short-term incentive[1] capped at 2x annual salary	Compared to target	Compared to 2016
Luc Desjardins	$890,000	x	100%	x	1.62	+	1.50	=	$1,409,760	+58%	+17%
Beth Summers	$425,000	x	60%	x	1.62	+	1.65	=	$415,395	+63%	+32%
Greg McCamus	$459,000	x	50%	x	1.49	+	1.52	=	$343,103	+50%	+41%
Darren Hribar	$377,400	x	60%	x	1.62	+	1.82	=	$380,193	+68%	+35%
Ed Bechberger	$367,710	x	50%	x	2.00	+	1.50	=	$340,132	+85%	+26%

[1]Numbers may not add exactly due to rounding.

Target awards, financial performance measures and other key objectives were established in October 2016 in connection with our 2017 budget. These were adjusted in May 2017 to reflect the impact of the closing of the Canwest transaction. Individual objectives for each named executive were approved by the board.

2017 corporate performance multiplier

We calculate the short-term incentive award for the CEO, CFO and other named executives using a corporate performance multiplier.

The 2017 corporate performance multiplier was 1.62. 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	42%
Superior Propane EBITDA	7%
Specialty Chemicals EBITDA	7%
Superior Gas Liquids EBITDA	7%
US Refined Fuels 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 76 for more information about how we calculate them.

The table below shows that AOCF in 2017 was at the top of the target range, resulting in a performance multiplier of 2.0. Strong corporate results were primarily driven by the contribution from Canwest, increased volumes at Canadian Propane, increased chlor-alkali sales volumes and higher average chlor-alkali product prices at Specialty Chemicals.

	Threshold 0.0	Target 1.0	Maximum 2.0	2017 Actual		AOCF score
Consolidated AOCF per common share (before transaction and other costs)	$1.43	$1.59	$1.75	$1.75	>	2.0

Business performance multipliers

We calculate the short-term incentive award for the heads of each business using a business performance multiplier. For Mr. McCamus, approximately 50% of his financial performance multiplier is based on Superior Propane's results and 20% is based on US Refined Fuels results. 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 a 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 2017. The committee did not make any adjustments to the calculated results.

Business	Threshold 0.0	Target 1.0	Maximum 2.0	2017 business performance multiplier
Superior Propane	90% of target	100% of target	110% of target	2.0
Specialty Chemicals	90% of target	100% of target	110% of target	2.0
Superior Gas Liquids	90% of target	100% of target	110% of target	0.0
US Refined Fuels	90% of target	100% of target	110% of target	0.2

Individual performance multipliers

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

- business strategy
- key financial
- growth
- people
- operational excellence (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.

	2017 objectives	Key results	2017 individual performance multiplier
Luc Desjardins	> Implement Evolution 2020 Strategic plan. > Pursue growth through acquisitions and business development. > Continue to drive efficiencies. > Support Health, Safety and Environmental awareness and results. > Build senior talent bench strength and foster diversity and support values and culture. > Maintain strong relations with investors and financial community.	> Strengthened the Canadian propane business with the successful acquisition of Canwest and one tuck-in acquisition in Quebec. > Expanded the US propane business through acquisitions in Ohio, New York and Virginia. > Complemented the Specialty Chemical business with the acquisition of International Dioxide Inc. > Supported the HS&E strategy which showed improvements in preventable incidents, safety training and environmental awareness. > Added senior resources and competencies for Corporate wide HS&E matters. > Strengthened the senior executive team in our US Refined Fuels business through external hires. > Increased the number of key positions with successors across all the businesses. Improved the execution of talent plans which include diversity. > Delivered additional efficiencies and increased productivity in all divisions, especially for the Specialty Chemicals and Energy Services businesses. > Continued to invest time and regularly meet investors.	1.50
Beth Summers	> Maintain diversified investor base in the US and Canada. > Support acquisitions strategy with financial plans and support integrations. > Develop companywide finance team vision, strategy and objectives to further strengthen quality of support to businesses and implement best practices. > Strengthen development and diversity of finance team through training, coaching and mentorship.	> Targeted and completed new diversified investor meetings and established key relationships to support future growth needs. > Completed long-term financing plan to support the required flexibility for the strategic growth plan. > Completed upsizing and extending the credit facility to 2020. Completed issuance of high yield notes due in 2024. > Redeemed convertible debentures and extended the maturity profile. > Supported closing of all acquisitions in accelerated time frames which benefited the organization. > Strengthened the finance team through a competency based training program, the implementation of rotational cross business assignments, mentorship of hi-potential managers and individual development plans. > Implemented IFRS 15.	1.65

	2017 objectives	Key results	
Greg McCamus	> Pursue growth of Energy Distribution business through acquisitions and development. > Improve Health, Safety and Environmental awareness and results. > Continue to drive digital strategy to strengthen customer experience. > Improve leadership, talent and culture across Energy Distribution business.	> Completed the Canwest acquisition and one tuck-in acquisition in Quebec. > Continued to grow the commercial portion of the business portfolio and improved metrics to measure actual growth. > Implemented next phase of market differentiation with digitalization and customer service strategy. > Improved HS&E results. > Improved talent bench strength and successors for key positions for the Propane business and added key competencies and executive resources in the US to accelerate the growth of the propane business.	1.52
Darren Hribar	> Provide business, strategic and legal support for strategic projects and the execution of the business plan. > Provide business, strategic and legal support for acquisitions and negotiations with regulatory authorities. > Organize and align companywide. legal team. > Manage Canada Revenue Agency litigation. > Manage general litigation matters. > Modernize and simplify information circular.	> Provided strong business and legal advice in all M&A and commercial negotiations that resulted in the successful completion of all acquisitions. > Led and successfully concluded negotiations for the Canwest acquisition and with the Competition Bureau. > Achieved settlement with the Canada Revenue Agency in connection with dispute related to Superior's corporate conversion transaction. > Organized the legal support across all businesses. > Reviewed all governance matters thoroughly and managed ongoing litigation. > Redesigned information circular for improved communication and comprehension.	1.82
Ed Bechberger	> Implement strategic plan for the Specialty Chemical business. > Reduce costs in operations and support services. > Develop and implement market strategy for all key products. > Strengthen talent and plan for succession for key roles.	> Developed and implemented strategy and plan to optimize business and developed new markets and opportunities with current customers. > Complemented the Specialty Chemical business with the acquisition of International Dioxcide, Inc. > Implemented operational, administrative and cost avoidance energy program that improved results. > Implemented continuous improvement teams to streamline key work processes. > Maintained best in class health, safety and environmental record. Supported and lead companywide plan to improve Health, Safety and Environment matters. > Strengthened executive team and increased the number of hi-potential diverse talent being developed for future senior roles.	1.50

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 November, granted in January of the following year and allocated 50% to RSUs and 50% to PSUs

> both RSUs and PSUs are considered cash based awards and are not settled with common shares whether issued from treasury or otherwise

> 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 over 3 years, beginning each year on the first anniversary of the grant. On the first anniversary, 1/3rd of the RSUs are paid out in cash shortly thereafter. On the second anniversary, 50% of the remaining balance of RSUs are paid out and the balance is paid out on the third anniversary. 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 56).

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	85-100%

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

2017 long-term incentive award

The table below shows the long-term incentive awards for each named executive for 2017, and how it was allocated. The awards were approved by the compensation committee and the board on November 8, 2017, and granted on January 2, 2018.

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 $12.13, the five-day volume weighted average price of our common shares following the date the awards were approved.

	Salary	Approved target	2017 long-term incentive award[1]	Allocation: Restricted share units (50%) $	Restricted share units (50%) #	Performance share units (50%) $	Performance share units (50%) #
Luc Desjardins	$890,000	200%	$1,742,748	871,374	73,348	871,374	73,348
Beth Summers	$425,000	120%	$499,340	249,670	21,016	249,670	21,016
Greg McCamus	$459,000	110%	$494,326	247,163	20,805	247,163	20,805
Darren Hribar	$377,400	100%	$369,492	184,746	15,551	184,746	15,551
Ed Bechberger	$367,710	110%	$396,008	198,004	16,667	198,004	16,667

[1] Grant date value calculated using $11.88, the closing price of our common shares on the TSX on January 2, 2018.

Performance conditions for the 2017 PSUs

The 2017 PSUs will vest in two tranches. The performance period for the first tranche (50% of the PSUs) is January 1, 2018 to January 1, 2021 and for the second tranche (50% of the PSUs) is January 1, 2018 to June 1, 2021. The amount the executives receive, if any, will depend on the PSU performance multiplier for each tranche, and our share price at each vesting date.

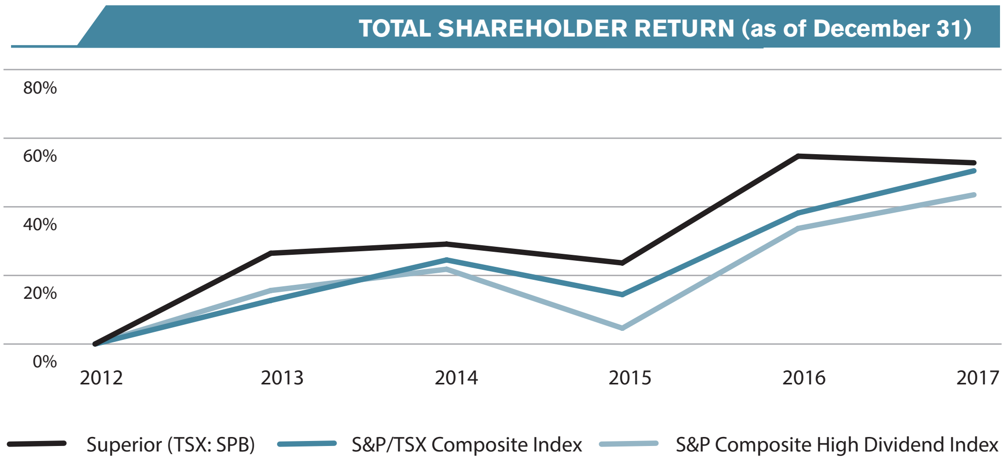
We calculate the PSU performance multiplier based on our compound TSR over the performance period compared to our targets using the scale in the table below. The compensation committee believes absolute TSR is the appropriate way to measure our longer-term performance. It does not use relative TSR because of the lack of peers with a comparable mix of business (see page 58 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 Index and S&P/TSX Composite High Dividend Index. It assumes $100 was invested in our common shares and the two market indices on December 31, 2012, and that dividends were reinvested during the period.



at December 31	2012	2013	2014	2015	2016	2017
Superior (TSX: SPB)	$100	$126	$129	$124	$155	$153
S&P/TSX Composite Index	$100	$113	$125	$114	$138	$151
S&P/TSX Composite High Dividend Index	$100	$116	$122	$105	$134	$144

The table below compares the total compensation of the CEO and the 2017 named executives with our consolidated AOCF, a key performance measure used in our compensation plans and throughout our financial reporting.

$ millions except where noted	2013	2014	2015	2016	2017
Total compensation – CEO	$3.1	$3.1	$3.5	$4.2	$4.1
Total compensation – all named executives	$7.5	$7.1	$7.8[1]	$9.1	$9.2
AOCF[2]	$207.6	$238.7	$217.2	$212.6	$250.5
AOCF per share[2]	$1.69	$1.89	$1.68	$1.50	$1.75
Total named executive compensation as a percentage of AOCF	3.6%	3.0%	3.6%	4.2%	3.7%
TSR (cumulative total return, per graph above)	26%	29%	24%	55%	53%

[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.

[2] AOCF before transaction and other costs. For the period 2013 to 2016, AOCF includes the results of Construction Products Division which was divested on August 9, 2016.

For the five-year period ended December 31, 2017, Superior's compound annual growth rate (CAGR) was 9%, compared to the S&P/TSX Composite Index CAGR of 9% and the S&P/TSX Composite High Dividend Index CAGR of 7%. In 2017, the total shareholder return of our common shares assuming reinvestment of dividends was -1.3%, compared to 8.9% and 7.4% for the two indices. The approximately 23% increase in total compensation of the named executives over the past five years reflects the 53% increase in the total shareholder return of our common shares over the period as well as strong financial results at both the corporate and individual business levels during that period and the fact that over 60% of the compensation for the named executives as a group 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.

EQUITY COMPENSATION

Outstanding share-based and option-based awards *as at December 31, 2017*

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, 2017 by $11.87, the closing price of Superior common shares on the TSX on December 29, 2017. This includes RSUs and PSUs that were granted for 2017, which were approved in November 2017 but granted on January 2, 2018. RSUs and PSUs include reinvested dividends. PSUs assume a performance multiplier of 1 (see page 66 for more information about the long-term incentive plan, and page 67 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	–	–	–	–	208,825 RSUs 355,109 PSUs	6,693,897	–
Beth Summers	–	–	–	–	58,952 RSUs 66,444 PSUs	1,488,451	–
Greg McCamus	–	–	–	–	69,723 RSUs 110,746 PSUs	2,142,167	–
Darren Hribar	–	–	–	–	37,918 RSUs 45,441 PSUs	989,471	–
Ed Bechberger	–	–	–	–	52,696 RSUs 90,900 PSUs	1,704,485	–

Incentive plan awards – value vested or earned during the year

The table following shows for each named executive:

> the value of RSUs awarded under the long-term incentive plan that vested and were paid out on January 17, 2017

> the value of PSUs that were paid out on October 13, 2017

> the short-term incentive awards earned for 2017, which will be paid out in March 2018.

We calculated the value of RSUs paid out by multiplying the number units that vested (including reinvested dividends) by $12.8567, the 10-day volume weighted average price of our common shares on January 17, 2017.

The payout of the PSUs is calculated by multiplying the number of units vested (including reinvested dividend) by $12.6619, the 10-day volume weighted average price of our common shares on October 13, 2017 along with the applicable performance multiple.

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	–	$921,456	$1,409,760
Beth Summers	–	$91,216	$415,395
Greg McCamus	–	$382,252	$343,103
Darren Hribar	–	$64,144	$380,193
Ed Bechberger	–	$197,437	$340,132

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 ($26,230 in 2017) 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, 2017
> 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, 2017.

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	161,197	13,115	208,315
Beth Summers	27,841	13,115	57,600
Greg McCamus	383,937	13,115	439,645
Darren Hribar	56,705	13,115	90,007

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 $2,914 per year of service (the maximum allowable under the Income Tax Act as of December 31, 2017). 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 $54,600 at December 31, 2017)	+	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 2017
> 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, 2016 to December 31, 2017
  – *opening present values* assume a discount rate of 3.77% 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)
  – *closing values* use same assumptions as beginning of year, except for discount rate which was 3.38% per year
  – *compensatory change* includes the service cost for 2017 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	36.58	$107,000	$123,000	$1,545,000	$42,000	$113,000	$1,700,000

TERMINATION AND CHANGE OF CONTROL

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

> a base salary
> a short-term incentive plan in some cases (as long as performance benchmarks are met – see page 62)
> participation in our long-term incentive plan (see page 67)
> participation in a pension plan (see page 71)
> 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[1] approved by the board in 2018 or by the terms of the long-term incentive plan. In February 2018, the board approved revisions to the executive agreements to bring them in line with market practice and current legal requirements. The revisions provide that on a termination without cause an executive's severance payments would reflect amounts to compensate for the loss of short term incentive payments and benefits based on the notice period set forth in the agreements.

	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
Short-term incentive	Amount declared but unpaid	Severance payment (see below)	Amount declared but unpaid	Mr. Desjardins: severance payment (see below) as long as he is also terminated without cause 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	Severance payment (see below)	Benefits end	Benefits end

[1] The 2017 year-end data point for the chart on page 75 assumes the executive employment agreements approved in 2018 were already in place.

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 2x average STIP over last 3 years

> Beth Summers: 1.5x annual salary, 1.5x average STIP over last 3 years, 1.5x,15% of annual salary for benefits

> Greg McCamus: 1.5x annual salary, 1.5x average STIP over last 3 years, 1.5x,15% of annual salary for benefits

> Darren Hribar: 2x annual salary, 2x average STIP over last 3 years, 2.0x,15% of annual salary for benefits.

> Ed Bechberger: 2x annual salary, 2x average STIP over last 3 years, 2.0x,15% of annual salary for benefits

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 (which is the only executive agreement with a chance of control provision), 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, 2017 based on the terms of the amended executive agreements approved in 2018.

The value of RSUs and PSUs is calculated using $11.87, the closing price of Superior common shares on the TSX on December 29, 2017. 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 66 for more about the long-term incentive plan.

The table assumes all allowable vacation has been taken in full, and does not include the 2017 short-term incentive awards, which were not declared until February 2018.

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, 2017, 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, 2017, and includes RSUs and PSUs granted on or before December 31, 2017. 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, 2017[4]					
	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	–	–	3,855,690	–	3,855,690[1]	3,855,690[2]
	Long-term incentive plan	–	2,370,399	2,370,399	–	–	5,563,903
	Total	**–**	**2,370,399**	**6,226,089**	**–**	**3,855,690**	**9,419,593**
Beth Summers	Her employment agreement	–	–	1,253,774	–	–	–
	Long-term incentive plan	–	–	713,324	–	–	1,256,318
	Total	**–**	**–**	**1,967,098**	**–**	**–**	**1,256,318**
Greg McCamus	His employment agreement	–	–	1,249,690	–	–	–
	Long-term incentive plan	–	954,879	954,879	–	–	1,908,524
	Total	**–**	**954,879**	**2,204,569**	**–**	**–**	**1,908,524**
Darren Hribar	His employment agreement	–	–	1,496,765	–	–	–
	Long-term incentive plan	–	–	366,698	–	–	727,668
	Total	**–**	**–**	**1,863,463**	**–**	**–**	**727,668**
Ed Bechberger	His employment agreement	–	–	1,295,304[3]	–	–	–
	Long-term incentive plan	–	721,532	721,532	–	–	1,468,556
	Total	**–**	**721,532**	**2,016,836**	**–**	**–**	**1,468,556**

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

2 Assumes Mr. Desjardins is terminated without cause.

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

4 Assumes the executive employment agreements approved in 2018 were already in place.

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 its subsidiaries. A total limit of $50,000,000 is purchased and a corporate retention of $100,000 is applicable. In 2017 we paid a premium of US$142,423 to cover the 12-month term from November 1, 2017 to November 1, 2018, 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 our MD&A which is posted on SEDAR.

APPENDIX A

Change of Auditor Reporting Package

SUPERIOR PLUS CORP.

<u>Change of Auditor Notice</u>

This notice is given pursuant to Section 4.11 of National Instrument 51-102 - *Continuous Disclosure Obligations* ("**NI 51-102**").

On February 14, 2018, after completing a comprehensive auditor selection process and considering with management proposals received from four audit firms, on the recommendation of the Audit Committee of the Board of Directors, the Board of Directors of Superior Plus Corp. (the "**Corporation**") determined to appoint Ernst & Young LLP (the "**Successor Auditor**") as auditor of the Corporation for the year ending December 31, 2018. The Successor Auditor was appointed with effect as of February 14, 2018, and, at the Corporation's request, Deloitte LLP (the "**Former Auditor**") resigned as of the same date.

The audit reports of the Former Auditor in connection with its audits of the Corporation's financial statements for the years ended December 31, 2017 and December 31, 2016 do not express a modified opinion and there has been no audit of the Corporation's financial statements for any period subsequent to the year ended December 31, 2017.

There have been no "reportable events" (as defined in NI 51-102) during the "relevant period" (as defined in NI 51-102).

Dated at Toronto, Ontario on this 15th day of February, 2018.

SUPERIOR PLUS CORP.

By: <u>"*Beth Summers*"</u>
Beth Summers
Executive Vice President and Chief Financial Officer

Deloitte.

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February 15, 2018

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
The Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers (Québec)
Financial and Consumer Services Commission (New Brunswick)
Office of the Superintendent of Securities, Prince Edward Island
Nova Scotia Securities Commission
Office of the Superintendent of Securities, Service Newfoundland & Labrador
Office of the Superintendent of Securities, Northwest Territories
Office of the Yukon Superintendent of Securities
Nunavut Securities Office

Dear Sirs/Mesdames:

Re: Superior Plus Corp

As required by subparagraph (5)(a)(ii) of section 4.11 of National Instrument 51-102, we have reviewed the change of auditor notice of Superior Plus Corp. dated February 15, 2018 (the "Notice") and, based on our knowledge of such information at this time, we agree with the statements contained therein.

Yours very truly,

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants

Ernst & Young LLP
EY Tower
100 Adelaide Street W
PO Box 1
Toronto, ON M5H 0B3

Tel: +1 416-864-1234
Fax: +1 416-864-1174
ey.com

February 16, 2018

To the various Securities Commissions and
similar regulatory authorities in Canada

Dear Sirs/Mesdames:

Re: SUPERIOR PLUS CORP.
Change of Auditor Notice dated 2018/02/15

Pursuant to National Instrument 51-102 (Part 4.11), we have read the above-noted Change of Auditor Notice (the "Notice") and confirm our agreement with the information contained in the Notice pertaining to our firm.

Yours sincerely,

Ernst & Young LLP

Chartered Professional Accountants
Licensed Public Accountants

Tracy Brennan, CPA, CA

APPENDIX B

Summary of Amended and Restated Shareholder Rights Plan

The following is a summary of the principal terms of the Rights Plan as proposed to be amended and restated. For a description of the specific amendments being proposed see page 12. The following summary is qualified in its entirety by reference to the full text of the proposed amended and restated Rights Plan which is available on SEDAR at www.sedar.com.

Issuance of Rights

One right (Right) was issued by Superior pursuant to the Rights Plan in respect of each Voting Share outstanding as of the close of business (Toronto time) (Record Time) on February 16, 2012 (Effective Date). "Voting Shares" include the common shares and any other shares of Superior entitled to vote generally in the election of all directors. One Right has been and will be issued for each additional Voting Share issued after the Record Time and prior to the earlier of the Separation Time (described below) and the termination or expiration of the Rights as set out in the Rights Plan.

Currently, the only Voting Shares outstanding are the common shares. The issuance of the Rights is not dilutive and does not affect reported earnings or operating cash flow per share until the Rights separate from the underlying common shares and become exercisable or until the exercise of the Rights. The issuance of the Rights does not change the manner in which shareholders trade their common shares.

Certificates and Transferability

Prior to the Separation Time, the Rights will be evidenced by a legend imprinted on certificates for common shares issued after the Record Time. Rights are also attached to common shares that were outstanding on the Effective Date, although share certificates issued prior to the Effective Date do not bear such a legend. Holders of such unlegended certificates are not required to return their certificates in order to have the benefit of the Rights. Prior to the Separation Time, Rights will trade together with the common shares and will not be exercisable or transferable separately from the common shares. From and after the Separation Time and prior to the termination or expiration of the Rights, the Rights will become exercisable, will be evidenced by separate certificates evidencing the Rights (Rights Certificates) and will be transferable separately from the common shares.

Separation of Rights

The Rights will become exercisable and begin to trade separately from the associated common shares at the **"Separation Time"** which is generally (subject to the ability of the board to defer the Separation Time) the close of business on the tenth trading day after the earliest to occur of:

1. a public announcement that a person or group of affiliated or associated persons or persons acting jointly or in concert has become an "Acquiring Person", meaning that such person or group has acquired Beneficial Ownership (as defined in the Rights Plan) of 20% or more of the outstanding Voting Shares other than as a result of: (i) a reduction in the number of Voting Shares outstanding; (ii) a Permitted Bid or Competing Permitted Bid (each as described below); (iii) acquisitions of Voting Shares in respect of which the board has waived the application of the Rights Agreement; (iv) other specified exempt acquisitions and pro rata acquisitions in which shareholders participate on a pro rata basis; or (v) an acquisition by a person of Voting Shares upon the exercise, conversion or exchange of a security convertible, exercisable or exchangeable into a Voting Share received by a person in the circumstances described in (ii), (iii) or (iv) above;

2. the date of commencement of, or the first public announcement of an intention of any person (other than Superior or any of its subsidiaries) to commence a takeover bid (other than a Permitted Bid or a Competing Permitted Bid) where the Voting Shares subject to the bid owned by that person (including affiliates, associates and others acting jointly or in concert therewith) would constitute 20% of more of the outstanding Voting Shares; and

3. the date upon which a Permitted Bid or Competing Permitted Bid ceases to qualify as such.

Promptly following the Separation Time, Rights Certificates will be mailed to the holders of record of the Voting Shares as of the Separation Time and the Rights Certificates alone will evidence the Rights.

Rights Exercise Privilege

After the Separation Time, each Right entitles the holder thereof to purchase one Common Share at an initial Exercise Price equal to three times the Market Price at the Separation Time. "Market Price" is defined as the average of the daily closing prices per share of such securities on each of the 20 consecutive trading days through and including the trading day immediately preceding the Separation Time. Following a transaction which results in a person becoming an Acquiring Person (Flip-In Event), the Rights entitle the holder thereof to receive, upon exercise, such number of common shares which have an aggregate Market Price (as of the date of the Flip-In Event) equal to twice the then Exercise Price of the Rights for an amount in cash equal to the Exercise Price. In such event, however, any Rights beneficially owned by an Acquiring Person (including affiliates, associates and other acting jointly or in concert therewith), or a transferee of any such person, will be null and void. A Flip-In Event will not be triggered as a result of acquisitions pursuant to a Permitted Bid or Competing Permitted Bid. In certain circumstances, as described below, the board may also waive the application of the Rights Plan to a Flip-in Event.

Permitted Bid Requirements

A bidder can make a takeover bid and acquire Voting Shares without triggering a Flip-In Event under the Rights Plan if the takeover bid qualifies as a Permitted Bid.

The requirements of a "Permitted Bid" include the following:

- the takeover bid is made by means of a takeover bid circular;
- the takeover bid is made to all holders of Voting Shares on the books of Superior, other than the offeror;
- the takeover bid contains an irrevocable and unqualified provision that, no Voting Shares will be taken up or paid for pursuant to the takeover bid (a) prior to the close of business on a date which is not less than 105 days following the date of the takeover bid or such shorter period that a takeover bid must remain open for pursuant to Canadian securities laws, and (b) then only if, at the close of business on the date Voting Shares are first taken up and paid for pursuant to such takeover bid, more than 50% of the Voting Shares held by Independent Shareholders have been deposited or tendered pursuant to the take-over bid and not withdrawn;
- the takeover bid contains an irrevocable and unqualified provision that, Voting Shares may be deposited pursuant to such takeover bid at any time during the period of time between the date of the takeover bid and the date on which Voting Shares may be taken up and paid for and any Voting Shares deposited pursuant to the takeover bid may be withdrawn until taken up and paid for; and
- the takeover bid contains an irrevocable and unqualified provision that, if on the date on which Voting Shares may be taken up and paid for under the takeover bid, more than 50% of the Voting Shares held by Independent Shareholders have been deposited pursuant to the takeover bid and not withdrawn, the offeror will make public announcement of that fact and the takeover bid will remain open for deposits and tenders of Voting Shares for not less than 10 business days from the date of such public announcement.

The Rights Plan also allows for a competing Permitted Bid (Competing Permitted Bid) to be made while a Permitted Bid is in existence. A Competing Permitted Bid must satisfy all of the requirements of a Permitted Bid except that it is required to remain open for the minimum initial deposit period required under Canadian securities laws for such bid in the circumstances.

Permitted Lock-Up Agreements

A person will not become an Acquiring Person by virtue of having entered into an agreement (Permitted Lock-Up Agreement) with a Shareholder whereby the Shareholder agrees to deposit or tender Voting Shares to a takeover bid (Lock-Up Bid) made by such person, provided that the agreement meets certain requirements including:

1. the terms of the agreement are publicly disclosed and a copy of the agreement is publicly available not later than the date of the Lock-Up Bid or, if the Lock-Up Bid has not been made prior to the date on which such agreement is entered into, not later than the first business day following the date of such agreement;

2. the holder who has agreed to tender Voting Shares to the Lock-Up Bid made by the other party to the agreement is permitted to terminate its obligation under the agreement, and to terminate any obligation with respect to the voting of such Voting Shares in order to tender Voting Shares to another takeover bid or to support another transaction where: (i) the offer price or value of the consideration payable under the other takeover bid or transaction is greater than the price or value of the consideration per share at which the holder has agreed to deposit or tender Voting Shares to the Lock-Up Bid, or is greater than a specified minimum which is not more than 7% higher than the price or value of the consideration per share at which the holder has agreed to deposit or tender Voting Shares under the Lock-Up Bid; and (ii) if the number of Voting Shares offered to be purchased under the Lock-Up Bid is less than all of the Voting Shares held by Shareholders (excluding Voting Shares held by the offeror), the number of Voting Shares offered to be purchased under the other takeover bid or transaction (at an offer price not lower than in the Lock-Up Bid) is greater than the number of Voting Shares offered to be purchased under the Lock-Up Bid or is greater than a specified number which is not more than 7% higher than the number of Voting Shares offered to be purchased under the Lock-Up Bid; and

3. no break-up fees, top-up fees, or other penalties that exceed in the aggregate the greater of 2.5% of the price or value of the consideration payable under the Lock-Up Bid and 50% of the increase in consideration resulting from another takeover bid or transaction shall be payable by the holder if the holder fails to deposit or tender Voting Shares to the Lock-Up Bid.

Waiver and Redemption

If a potential offeror does not desire to make a Permitted Bid, it can negotiate with, and obtain the prior approval of, the board to make a takeover bid by way of a takeover bid circular sent to all holders of Voting Shares on terms which the board considers fair to all Shareholders. In such circumstances, the board may waive the application of the Rights Plan thereby allowing such bid to proceed without dilution to the offeror. Any waiver of the application of the Rights Plan in respect of a particular takeover bid shall also constitute a waiver of any other takeover bid which is made by means of a takeover bid circular to all holders of Voting Shares while the initial takeover bid is outstanding. The board may also waive the application of the Rights Plan in respect of a particular Flip-In Event that has occurred through inadvertence, provided that the Acquiring Person that inadvertently triggered such Flip-In Event reduces its beneficial holdings to less than 20% of the outstanding Voting Shares within 14 days or such earlier or later date as may be specified by the board. With the prior consent of the holders of Voting Shares, the board may, prior to the occurrence of a Flip-In Event that would occur by reason of an acquisition of Voting Shares otherwise than pursuant to the foregoing, waive the application of the Rights Plan to such Flip-In Event.

The board may, with the prior consent of the holders of Voting Shares, at any time prior to the occurrence of a Flip-In Event, elect to redeem all but not less than all of the then outstanding Rights at a redemption price of $0.00001 per Right. Rights are deemed to be redeemed following completion of a Permitted Bid, a Competing Permitted Bid or a takeover bid in respect of which the board has waived the application of the Rights Plan. The Corporation will not be obligated to make payment of the redemption price to any holder of Rights unless the holder is entitled to receive at least $10.00 in respect of all Rights held by such holder.

Protection Against Dilution

The Exercise Price, the number and nature of securities which may be purchased upon the exercise of Rights and the number of Rights outstanding are subject to adjustment from time to time to prevent dilution in the event of dividends, subdivisions, consolidations, reclassifications or other changes in the outstanding Common Shares, pro rata distributions to holders of Common Shares and other circumstances where adjustments are required to appropriately protect the interests of the holders of Rights.

Exemptions for Investment Advisors

Investment advisors (for client accounts), trust companies (acting in their capacity as trustees or administrators), statutory bodies whose business includes the management of funds (for employee benefit plans, pension plans, or insurance plans of various public bodies) and administrators or trustees of registered pension plans or funds acquiring greater than 20% of the Voting Shares are exempted from triggering a Flip-In Event, provided they are not making, either alone or jointly or in concert with any other person, a takeover bid.

Duties of the Board

The Rights Plan does not in any way lessen or affect the duty of the board to act honestly and in good faith with a view to the best interests of Superior. The board, when a takeover bid or similar offer is made, will continue to have the duty and power to take such actions and make such recommendations to shareholders as are considered appropriate.

Term

The Rights Plan must be ratified and reconfirmed by shareholders every three years to remain in effect.

Amendment

Superior may make amendments to the Rights Plan at any time to correct any clerical or typographical error and may make amendments which are required to maintain the validity of the Rights Plan due to changes in any applicable legislation, regulations or rules. Superior may, with the prior approval of shareholders (or the holders of Rights if the Separation Time has occurred), supplement, amend, vary, rescind or delete any of the provisions of the Rights Plan.

Superior Plus Corp.

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Superior Plus