



FILO CORP. (the “Corporation”)

DIVERSITY POLICY

(as adopted by the Board of Directors of the Corporation (the “**Board**”) on May 6, 2020, amended September 27, 2021, November 10, 2021, May 10, 2023 and November 10, 2023)

The purpose of this diversity policy is to (i) define the approach of the Corporation to promoting and maintaining diversity on its board of directors (the Board) and among its executive officers (the Officers) who together make up the Leadership Group of the Corporation and (ii) establish mechanisms for reporting on diversity of the Leadership Group and measuring the Corporation’s progress towards achieving its diversity goals.

The Corporation is committed to maintaining high standards of corporate governance in all aspects of its business and recognizes the benefits of fostering greater diversity among its Board and its Officers. The Corporation recognizes that diversity is critical to its future success and seeks to foster a culture of equity and inclusion.

Board Diversity

The Board believes that a diversity of perspectives maximizes its effectiveness and decision- making in the best interests of the Corporation. Diversity on the Board also demonstrates the Corporation’s commitment to diversity at all levels within the Corporation.

At all times, the Corporation seeks to maintain a board comprised of talented and dedicated directors with a diverse mix of experience, skills and backgrounds collectively reflecting the strategic needs of the business and the nature of the environment in which the Corporation operates. When assessing the Board’s composition or identifying suitable candidates for appointment or election to the Board, the Corporation will consider candidates using objective criteria including the benefits of diversity and the needs of the Board.

When identifying potential candidates, the Corporate Governance and Nominating Committee will, in addition to its own search, strive to use resources of organizations advancing diversity in Canada or abroad, and seek advice from experienced and independent search consultants, where necessary.

In furtherance of Board diversity, the Corporation aims to maintain a Board composition

of which at least 30% of the Board are women. The Board seeks to maintain diversity in the membership of its committees and in Board leadership roles and will consider diversity, including women and members of the designated groups or other underrepresented groups, when recruiting new Directors and when assigning leadership roles for the Board and its committees.

Officers' Diversity

The Corporation also recognizes that diversity is an important element of executive leadership, which sets an example for advancing diversity at all levels of the Corporation and aids in fostering an equitable and inclusive workplace for all employees. The Corporation recognizes that creating a diverse and inclusive workplace will ensure that the Corporation has the opportunity to access the best available talent for the benefit of the Corporation and its stakeholders.

Diversity is an important and valuable consideration in assessing potential candidates for appointment to the Officer positions. Along with consideration of the benefits of diversity, appointments will continue to consider the knowledge, experience, skills and backgrounds of each individual candidate in light of the needs of the Leadership Group and Corporation.

With a view to enhancing Officer diversity, the Corporation commits to follow executive search protocols when recruiting which includes a process, using an independent search consultant directed to include a diverse pool of candidates including women and members of the designated groups or other underrepresented groups. In addition, whenever the Corporation establishes and maintains a list of potential executive officer candidates within its successor pool of talent, the Corporation will ensure that such list includes women and members of the designated groups or other underrepresented groups.

Reporting

The Board is required to report annually to shareholders on the diversity of the Leadership Group, including the number and percentage of women on the Board and among Officers and the number and percentage of persons on the Leadership Group who are members of each of the other designated groups such as visible minorities, Aboriginal peoples and persons with disabilities, as defined in the Employment Equity Act (Canada). Members of the Leadership Group are requested to identify whether they are a designated group member or have another diversity characteristic for consideration. The Company's disclosure will be based on such self identification.

Annually the Board or a committee of the Board will review this Policy and assess its effectiveness in promoting a diverse Leadership Group and the progress of the

Corporation in achieving the targets and objectives set out in this Policy