



Li-Cycle Holdings Corp.

CHARTER OF THE BOARD OF DIRECTORS

FUNCTION AND PURPOSE

The Board of Directors (the “**Board**”) of Li-Cycle Holdings Corp. (the “**Company**”) is responsible for the supervision of the management of the business and affairs of the Company. The Board, directly and through its committees, will provide direction to senior management, generally through the President and Chief Executive Officer (the “**CEO**”), to pursue the best interests of the Company. The Board’s fundamental objective is to enhance and preserve long-term shareholder value while at the same time considering the legitimate interests of its other stakeholders, including the Company’s employees, customers and communities.

COMPOSITION AND ORGANIZATION

Membership and Qualifications

Composition: The Board will be comprised of at least three directors and not more than ten directors with such number to be fixed by the Board in accordance with applicable legislation, regulations and listing requirements upon the recommendation of the Nominating and Corporate Governance Committee. Directors are elected annually at the Company’s annual meeting of shareholders and must meet the requirements of applicable corporate laws and securities laws, rules, regulations and guidelines.

Independence: A majority of the Board must qualify as “independent”, as defined in accordance with the requirements of applicable stock exchange and securities regulatory authorities, and meet the experience and expertise requirements of the applicable stock exchange and securities regulatory authorities.

The Board has the responsibility to ensure that appropriate structures and procedures are in place to permit the Board to function independently of management.

Chair and Lead Director: The Board will appoint one member to act as the Chair and will set out his or her duties and responsibilities in a position description. If at any point the Chair is not independent, the Board will also appoint one member to act as the Lead Director, and will set out his or her duties and responsibilities in a position description.

The Chair may be removed from the position at any time at the discretion of the Board. The incumbent Chair will continue in office until a successor is appointed or he or she is removed by the Board or ceases to be a director of the Company. If the Chair is absent from a meeting, the Lead Director, if any, will preside at the meeting, and if there is no Lead Director, the Board will, by majority vote, select another director to preside at the meeting.

Board Committees

The Board has established the following committees: the Audit Committee; the Nominating and Corporate Governance Committee; the Compensation Committee; and the Health, Safety, Environmental, Quality & Technical Committee. Subject to applicable law or regulatory requirements, the Board may establish other committees, including ad hoc committees, or merge or dispose of any committee not otherwise required by applicable rules or regulations. In consultation with the Nominating and Corporate Governance Committee, the Board will review the appropriate structure, size, composition, mandate and members of each Board committee, and approve and modifications to such items as considered advisable.

Meetings

Frequency: The Board will meet at least once each quarter, with additional meetings held as deemed advisable, at such times and locations (if any) as the Chair deems necessary to fulfill the Board's responsibilities. The Board will conduct meetings of the Board in accordance with the Company's articles and by-laws. The independent directors shall meet, without members of management, at each regularly scheduled meeting.

Agendas and Notice: The Chair, in consultation with the Lead Director and the Corporate Secretary, will establish the meeting dates and the meeting agenda. The Corporate Secretary will send notice of each Board meeting and information concerning the business to be conducted at such meeting, to each director not less than 48 hours prior to each meeting, provided that, except where the *Business Corporations Act* (Ontario) requires the notice to specify the purpose of, or the business to be transacted at, the meeting, notice need not be sent for any regularly scheduled meeting. The Chair, or a majority of the directors, may call a special meeting of the Board at any time. Attendance at a meeting shall constitute a waiver of notice of such meeting, except attendance for the express purpose of objecting to the notice.

Holding and Recording Meetings: Board meetings may be held in person, telephonically or by other electronic means, or action may be taken by written consent in accordance with the applicable corporate law. The Board may act by a majority vote or unanimous written resolution. The Board will keep written minutes of its meetings.

Each director is expected to attend all meetings of the Board and any committee of which he or she is a member and is expected to review and be familiar with Board and committee materials which have been provided in sufficient time for review prior to the meeting.

The Board and the Chair may invite any officer or employee of the Company or any advisors as it deems appropriate from time to time to attend Board meetings (or any part thereof) and assist in the discussion and consideration of matters relating to the Board.

The Board will meet *in camera*, without any non-independent directors or management present, as a feature at each meeting.

Quorum: A majority of the directors of the Board, present in person or by telephone or other electronic means, will constitute a quorum for Board meetings.

AUTHORITY AND RESPONSIBILITIES

The Board, in exercising its powers and discharging its duties, will act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Board operates by delegating certain of its authorities to management and by reserving certain powers for itself. The Board retains the responsibility for managing its own affairs, including selecting its Chair, nominating candidates for election to the Board, constituting committees of the Board and determining director compensation.

In furtherance of its purpose, the Board assumes the following duties and responsibilities, some of which are initially reviewed and recommended by the applicable committee of the Board for full Board approval:

Strategy and Budget

- (a) ensuring a strategic planning process is in place and approving, on at least an annual basis, a business plan which takes into account, among other things, the longer-term opportunities and risks of the business;
- (b) approving the Company's annual operating and capital budgets;
- (c) reviewing operating and financial performance results in relation to the Company's business plan and budgets;
- (d) reviewing and approving material transactions and capital investments not in the ordinary course of business;

Board Composition and Administration

- (a) approving individuals identified and presented by the Nominating and Corporate Governance Committee as nominees for election at the next annual meeting of shareholders;
- (b) approving the nomination of directors to the Board, as well as:
 - i. ensuring that a majority of the Company's directors are independent pursuant to applicable legislation, regulations and listing requirements;
 - ii. developing appropriate qualifications and criteria for the selection of Board members;

- iii. appointing the chair of the Board (the “**Chair**”), the lead independent director (the “**Lead Director**”), if necessary, and the chair and members of each Committee of the Board;
- (c) identifying individuals qualified to become members of the Audit Committee in light of the independence, financial literacy, experience, diversity and other membership requirements set forth under applicable legislation, regulations and listing requirements;
- (d) providing an orientation program for new directors to the Board and continuing education opportunities for all directors to ensure that directors can maintain and enhance their abilities and ensure that their knowledge of the Company’s business remains current;
- (e) determining director compensation and any equity ownership requirements for directors with recommendations of the Compensation Committee;
- (f) assessing annually the effectiveness and contribution of the Board and the Board Chair and Lead Director (if applicable); of each Committee of the Board and their respective chairs; and of individual directors;
- (g) developing written position descriptions for the Board Chair, the Lead Director and the chair of each Committee of the Board;

Human Resource Management and Compensation

- (a) appointing the CEO and developing a written position description for the role of the CEO;
- (b) developing the corporate goals and objectives that the CEO is responsible for meeting and reviewing the performance of the CEO against such corporate goals and objectives;
- (c) approving the Company’s compensation and benefits policies and any changes thereto for executive officers;
- (d) ensuring that the Company’s compensation and benefits policies create and reinforce good conduct, ethical behaviour and promote reasonable risk taking;
- (e) satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers promote a culture of integrity throughout the organization;
- (f) overseeing the Company’s succession planning and talent development;

Governance

- (a) developing the Company's approach to, and disclosure of, corporate governance practices and developing a set of corporate governance guidelines that are specifically applicable to the Company;
- (b) ensuring that there are appropriate procedures in place for the identification and resolution of conflicts of interest;
- (c) overseeing and approving the Company's code of conduct and code of ethics for senior financial employees with the purpose of promoting integrity and deterring wrongdoing, and encouraging and promoting a culture of ethical business conduct;
- (d) establishing appropriate limits on the authority delegated to management to manage the business and affairs of the Company;
- (e) reviewing, approving and overseeing the implementation of the Company's material policies, including the insider trading policy, the pre-approval policy for audit and non-audit services, the related party transaction policy, the anti-corruption policy and health and safety policies and practices;

Risk Management, Internal Controls and Compliance

- (a) identifying and assessing the principal risks of the Company's business, and ensuring the implementation of appropriate systems to manage and mitigate these risks;
- (b) ensuring full and complete disclosure of how the Board oversees risk;
- (c) ensuring the integrity of the Company's internal control system and management information systems and the safeguarding of the Company's assets;
- (d) reviewing, approving and overseeing compliance with the Company's disclosure policy and whistleblower procedure;
- (e) overseeing the adequacy of the Company's processes to ensure compliance by the Company with applicable legal and regulatory requirements;

Financial Reporting and Auditors

- (a) reviewing and approving, as required, the Company's financial statements, related management's discussion and analysis and other related financial information, and their filing and disclosure, as required;

- (b) appointing, subject to approval of shareholders, and removing of the external auditor;

Communications

- (c) together with management, meeting with the Company's shareholders at the annual meeting of shareholders and being available to respond to questions at that time;
- (d) adopting a communication policy for the Company;
- (e) establishing measures for receiving feedback from stakeholders;
- (f) monitoring investor relations programs and communications with analysts, the media and the public and reviewing and approving the disclosure of material information in accordance with the Company's disclosure policy;

Other

- (a) performing any other activities consistent with this Charter, the Company's by-laws and governing laws that the Board determines are necessary or appropriate.

OTHER AUTHORITY AND RESPONSIBILITIES

Access to Records and Personnel: The Board will have full access to any relevant records of the Company and its subsidiaries that it deems necessary to carry out its responsibilities. The Board may request that any officer or other employee of the Company or any advisor to the Company meet with members of the Board or its advisors, as it deems necessary to carry out its responsibilities.

Independent Advisors: The Board will have the authority to engage, terminate and determine funding for independent legal counsel, accounting advisors, compensation consultants and other advisors (the "Advisors") as it deems necessary to carry out its responsibilities. Such Advisors may be the regular advisors to the Company. The Board is empowered to cause the Company or any of its subsidiaries, as applicable, to pay the compensation of the Advisors as established by the Board.

Funding: The Board shall have the authority to determine and approve funding (which will be supplied by the Company) for: (i) payment of compensation to any Advisors engaged by the Board; and (ii) ordinary administrative expenses of the Board or any other expenses that are necessary or appropriate in carrying out its duties.

Delegation: The Board may form and delegate authority to subcommittees and may delegate authority to the Chair or one or more designated directors.



Board Performance and Charter Review: The Board will annually review and assess its performance, effectiveness and contribution, including an evaluation of whether this Charter appropriately addresses the matters that are and should be within its scope. The Board will conduct such review and assessment in such manner as it deems appropriate with the assistance of the Nominating and Governance Committee.

Other: The Board will perform any other activities consistent with this Charter, the Company's by-laws and governing laws that the Board determines are necessary or appropriate.

Nothing contained in this Charter is intended to expand applicable standards of conduct under statutory or regulatory requirements for the directors of the Company.

Approved by the Board of Directors on August 10, 2021 and effective as of August 10, 2021.