

**PERFORMANCE SPORTS GROUP LTD.
CORPORATE GOVERNANCE GUIDELINES**

1.0 Introduction

The board of directors (the “**Board**”) of Performance Sports Group Ltd. (the “**Corporation**”) is elected by the shareholders of the Corporation and is responsible for the stewardship of the Corporation. The purpose of these guidelines is to describe the principal duties and responsibilities of the Board, as well as some of the policies and procedures that apply to the Board in discharging its duties and responsibilities.

2.0 Chair of the Board

The chair of the Board (the “**Chair**”) will be appointed by the Board, after considering the recommendation of the Corporate Governance and Nominating Committee, for such term as the Board may determine.

3.0 Majority of Independent Directors

The Board will be comprised of a minimum of three and a maximum of ten directors, at least a majority of whom meet the criteria for independence required by National Instrument 58-101 *Disclosure of Corporate Governance Practice*, the listing standards of the Toronto Stock Exchange and the New York Stock Exchange, the U.S. Securities and Exchange Commission and any other applicable regulatory authority (collectively, the “**Applicable Regulatory Requirements**”). In addition to the foregoing requirements, Audit and Compensation Committee members are subject to heightened independence requirements or considerations pursuant to certain of the Applicable Regulatory Requirements. The Board must determine, based on all of the relevant facts and circumstances, whether each director satisfies these criteria for independence and will disclose these determinations.

Each independent director of the Board shall promptly notify the Chair of any developments that may impair such director’s independence. If a conflict exists and cannot be resolved, such director should submit to the Board written notification of such conflict of interest and an offer of resignation from the Board and each of the committees on which such director serves. The Board need not accept such offer of resignation; however, the submission of such offer of resignation provides the opportunity for the Board to review the appropriateness of the continuation of such individual’s membership on the Board or any Board Committee.

4.0 Board Leadership

- (a) **Chair of the Board.** The Corporation maintains separate Chair and Chief Executive Officer positions, which allows the Board to be more effective in overseeing the Corporation’s affairs and holding management accountable for the Corporation’s activities. Having an independent Chair of the Board fosters strong leadership, healthy discussion and avoids the potential for any conflict of interest. However, the Board believes that the Corporation and its shareholders are best served by maintaining flexibility to have any director serve as Chair and therefore believes that a permanent

policy on whether the Chair and Chief Executive Officer positions should be separated or combined is not appropriate.

- (b) **Lead Director.** The Board has adopted a written position description for the Chair setting out the Chair's responsibilities, including leadership and governance of the Board, the promotion of corporate social responsibility, the facilitation of shareholder meetings, and the oversight of Board committees. The Board has appointed a non-executive, independent director as its Chair to help it function independently of management. In order to maintain the independent integrity of the Board, however, if the Chair and Chief Executive Officer positions are combined, the Board shall appoint a Lead Director who must be independent.

5.0 Director Selection and Board Membership Criteria

The Corporate Governance and Nominating Committee has, as one of its responsibilities, the recommendation of director candidates to the full Board. Nominees for directorship will be identified by the Corporate Governance and Nominating Committee in accordance with the criteria set forth below and any other criteria that may be identified by the Board or a Board Committee, if appropriate, and in accordance with the procedures set forth in the Corporate Governance and Nominating Committee's charter.

- (a) **Background and Diversity.** The Board seeks members from diverse professional and personal backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity. This assessment will include an individual's independence, as well as consideration of age, skills and experience, and a policy of promoting diversity, in the context of the needs of the Corporation. The Diversity Policy, which is attached hereto as Appendix "A", sets out the guidelines by which the Board will endeavor to increase diversity amongst members of the Board as well as executive officers.
- (b) **Simultaneous Service.** No director should serve on more than four other public company boards. No member of the Audit Committee should serve on more than two other public company audit committees. Directors should advise the Chair and the chair of the Corporate Governance and Nominating Committee in advance of accepting an invitation to serve on another public company board or audit committee.
- (c) **Financial Literacy.** Directors should know how to read and understand fundamental financial statements and understand the use of financial ratios and information in evaluating the financial performance of the Corporation.
- (d) **Character.** Directors should be persons of good character and thus should possess all of the following personal characteristics:
- Integrity: Directors should demonstrate high ethical standards and integrity in their personal and professional dealings;
 - Accountability: Directors should be willing to be accountable for their decisions as directors;

- **Judgment:** Directors should possess the ability to provide wise and thoughtful counsel on a broad range of issues;
- **Responsibility:** Directors should interact with each other in a manner which encourages responsible, open, challenging and inspired discussion;
- **High Performance Standards:** Directors should have a history of achievements which reflects high standards for themselves and others;
- **Commitment and Enthusiasm:** Directors should be committed to, and enthusiastic about, their performance for the Corporation as directors, both in absolute terms and relative to their peers; and
- **Courage:** Directors should possess the courage to express views openly, even in the face of opposition.

6.0 Retirement

- (a) **Term Limits.** The Board does not favor term limits for directors, but believes that it is important to monitor overall Board performance. Therefore, the Corporate Governance and Nominating Committee shall review each director's continuation on the Board annually. This will allow each director the opportunity to conveniently confirm his or her desire to continue as a member of the Board.
- (b) **Retirement Age.** No person shall be nominated by the Board to serve as a director after he or she has passed his or her 75th birthday, unless the Corporate Governance and Nominating Committee has voted, on an annual basis, to waive the mandatory retirement age for such director.
- (c) **Resignation Policy - Management Directors.** Management directors shall offer to resign from the Board upon their resignation, removal or retirement as an employee of the Corporation.
- (d) **Significant Change in Job Responsibilities.** The Board expects directors to notify the Chair promptly and offer to resign from the Board upon a significant change in their business position including, without limitation, retirement from the position on which their original nomination was based. It is not the sense of the Board that in every instance the directors who retire or change from the position they held when they joined the Board should necessarily leave the Board. There should, however, be an opportunity for the Board through the Corporate Governance and Nominating Committee, to review the continued appropriateness of Board membership under the circumstances.

7.0 Role and Responsibilities of the Board and the Directors

The role of the Board is to represent the shareholders of the Corporation, enhance and maximize shareholder value and conduct the business and affairs of the Corporation ethically and in accordance with high standards of corporate governance. The basic responsibility of the

directors is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Corporation and its shareholders.

The Board is ultimately accountable and responsible for providing effective leadership in supervising the management of the business and affairs of the Corporation. In discharging that obligation, directors should be entitled to rely on the honesty and integrity of the Corporation's officers, employees, outside advisors and independent auditors. The Board selects and oversees the members of senior management, to whom the Board delegates the authority and responsibility for the conduct of the day-to-day operations of the business.

The responsibilities of the Board include:

- (a) adopting a strategic planning process;
- (b) risk identification and ensuring that procedures are in place for the management of those risks;
- (c) reviewing and approving annual business and capital plans and policies and processes generated by management relating to the authorization of major investments and significant allocations of capital, subject to general authority guidelines;
- (d) corporate social responsibility, ethics and integrity;
- (e) supervision of senior management and succession planning including the appointment of the Chief Executive Officer and the Chair and ensuring that other executives are in place to ensure sound management of the Corporation;
- (f) delegations and general approval guidelines for management;
- (g) monitoring financial reporting and management;
- (h) monitoring internal control and management information systems;
- (i) corporate disclosure and communications;
- (j) adopting measures for receiving feedback from stakeholders; and
- (k) adopting key corporate policies designed to ensure that the Corporation, its directors, officers and employees comply, in all material respects, with all applicable laws, rules and regulations and conduct their business ethically and with honesty and integrity.

Further, each director is expected to:

- (a) dedicate sufficient time, energy and attention to ensure the diligent performance of his or her duties;

- (b) comply with the duties and responsibilities set forth herein and in the Articles of the Corporation;
- (c) comply with all duties of care, loyalty and confidentiality applicable to directors of publicly traded corporations organized in our jurisdiction of incorporation; and
- (d) adhere to the Corporation's Code of Business Conduct and Ethics, including, but not limited to, the policies on conflicts of interest expressed therein and any other applicable policies of the Corporation.

8.0 Board Meetings

Meetings of the Board will be held at least quarterly, with additional meetings to be held depending on the state of the Corporation's affairs and in light of opportunities or risks which the Corporation faces. In addition, independent directors of the Board will have the opportunity to meet in camera at each quarterly meeting or more frequently as they deem necessary. The executive sessions of the independent directors are currently presided by the independent Chair of the Board.

Directors are strongly encouraged to attend the annual meeting of shareholders, Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Directors are expected to review meeting materials prior to Board and committee meetings and, when possible, should communicate in advance of meetings any questions or concerns that they wish to discuss so that management will be prepared to address the same.

The Corporation shall distribute written materials sufficiently in advance of meetings to permit a meaningful review by the directors.

9.0 Board Committees

Subject to the Applicable Regulatory Requirements, the Board may delegate certain matters it is responsible for to Board committees, presently consisting of the Audit Committee, the Corporate Governance and Nominating Committee and the Compensation Committee. The Board will, however, retain its oversight function and ultimate responsibility for these matters and all delegated responsibilities.

The Board will have at all times an Audit Committee, a Compensation Committee and a Corporate Governance and Nominating Committee. Each of these Committees shall consist solely of independent directors. The Board may, at its discretion, establish any other committees as it deems appropriate from time to time, including a Risk Committee, which shall consist of the Corporation's Chief Executive Officer and at least one additional member of the Board.

Committee members will be appointed by the Board upon the recommendation of the Corporate Governance and Nominating Committee with consideration of the desires of individual directors. Each committee shall have its own charter, which will set forth the purposes, goals and responsibilities of the committee as well as qualifications for committee

membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. The charters will also provide that each committee will annually evaluate its own performance and will be posted on the Corporation's website.

10.0 Majority Vote Policy for the Election of Directors

The Corporation's Majority Voting Policy provides that directors receiving a greater number of votes withheld than votes in favour in uncontested elections of directors shall be considered not to have the support of the shareholders and shall offer to tender his or her resignation to the Chair, and the Corporate Governance and Nominating Committee will make a recommendation to the Board on whether to accept or reject the resignation or other action. The Board will review and act on this recommendation within 90 days from the date of the meeting. The Board will promptly publicly disclose its decision and, should the Board decline to accept the resignation, its rationale.

11.0 Stock Ownership Requirements

Under the Corporation's Deferred Share Unit Plan ("DSU Plan"), non-employee directors are required to receive between 50% and 100% of their compensation in the form of deferred share units ("DSU") until their retirement from the Board. The purpose of the DSU Plan is to promote greater alignment of interests between eligible directors and the shareholders of the Corporation. The Corporation has also developed stock ownership guidelines for its executive officers to create alignment and mutual ownership between executives and the shareholders of the Corporation.

12.0 Strategic Planning Process and Risk Management

The Board will adopt a strategic planning process to establish objectives and goals for the Corporation's business and will review, approve and modify as appropriate the strategies proposed by senior management to achieve such objectives and goals. The Board will review and approve, as appropriate, a strategic plan which takes into account, among other things, the opportunities and risks of the Corporation's business and affairs.

The Risk Management Committee, in conjunction with senior management, will identify the principal risks of the Corporation's business and oversee senior management's implementation of appropriate systems to effectively monitor, manage and mitigate the impact of such risks and report on and make recommendations with respect to such matters to the Board.

13.0 Access to Officers, Employees and Advisors

Board members have complete and open access to the Corporation's senior management, any other employees and any of the Corporation's advisors as necessary to complete their duties. Board members who wish to have access to such persons may coordinate such access through the Chair or may contact such persons directly, with concurrent notice to the Chair.

14.0 Confidentiality

The Board believes maintaining confidentiality of information and deliberations is an imperative. Information learned during the course of service on the Board is to be held confidentially and used solely in furtherance of the Corporation's business.

15.0 Corporate Social Responsibility, Business Conduct, Ethics and Integrity

The Corporation has adopted a Code of Business Conduct and Ethics and other internal policies and guidelines designed to support these guidelines and to comply with applicable law. Directors, officers and employees are expected to comply fully with that Code and any other applicable policies and guidelines.

The Board will provide leadership to the Corporation in support of its commitment to corporate social responsibility, set the ethical tone for the Corporation and its management and foster ethical and responsible decision making by management. The Board will take all reasonable steps to satisfy itself of the integrity of the Chief Executive Officer and senior management and satisfy itself that the Chief Executive Officer and senior management create a culture of integrity throughout the organization.

16.0 Succession Planning

The Compensation Committee will review from time to time the Corporation's succession plan for the Chief Executive Officer, the Chief Financial Officer and other executive officers, including appointment, training and evaluation.

17.0 Executive Officer Performance Objectives and Compensation

The Compensation Committee will review the corporate goals and performance objectives relevant to compensation for the Chief Executive Officer, Chief Financial Officer and other executive officers and evaluate such officers' performance and determine their compensation in light of those goals and objectives.

18.0 Director Compensation

The form and amount of non-management director compensation will be determined by the Board upon the recommendation of the Compensation Committee. The Board is aware that questions as to directors' independence may be raised when directors' fees and emoluments exceed what is customary. Similar concerns may be raised when the Corporation makes substantial charitable contributions to organizations with which a director is affiliated, or enters into consulting contracts with (or provides other indirect forms of compensation to) a director. The Board will critically evaluate each of these matters when determining the form and amount of director compensation and will ensure that such payments do not violate the independence requirements of the Applicable Regulatory Requirements.

19.0 Director Orientation and Continuing Education

The Corporation has an orientation program for any new directors under which a new director will meet separately with the Chair and members of the senior executive team. A new director will be presented with a director manual that reviews Board policies and procedures, the Corporation's current strategic plan, financial plan and capital plan, the most recent annual and quarterly reports and materials relating to key business issues. New directors will also receive training and preparation sessions in respect of financial accounting standards.

The Chair of each committee is responsible for coordinating orientation and continuing director development programs relating to the committee's mandate.

20.0 Delegations and Approval Authorities

The Board delegates to the Chief Executive Officer and senior management authority over the day-to-day management of the business and affairs of the Corporation. This delegation of authority will be subject to the Applicable Regulatory Requirements and specified financial limits and any transactions or arrangements in excess of general authority guidelines will be reviewed by and subject to the prior approval of the Board.

21.0 Monitoring of Financial Reporting and Management

The Board, with the assistance of a Disclosure Committee and the Board committees, as appropriate, will approve all regulatory filings, including the annual audited financial statements, interim financial statements, the notes and management discussion and analysis accompanying such financial statements, any quarterly and annual reports, management proxy circulars, annual information forms, prospectuses, and all capital investments, equity and debt financings, borrowings and all annual operating plans and budgets.

22.0 Corporate Disclosure and Communications

As outlined in the Corporation's Disclosure Policy, only the Corporation's designated spokespersons should respond to inquiries from the investment community, the media, regulatory authorities or others.

The Board values communications with the Corporation's shareholders and other stakeholders, however, and has established procedures to enable anyone who has a concern about the Corporation's conduct to report those concerns to the independent Chair, including a compliance hotline.

The Corporation's Compliance Hotline website can be accessed at www.performancesportsgroup.ethicspoint.com and additional information for the Compliance Hotline can be found at www.performancesportsgroup.com/site/investors/governance.php. The Compliance Hotline is run by an independent call center operated by a vendor, Ethics Point.

Information provided through the Compliance Hotline will be forwarded and/or summarized in a report and delivered to the Board Chair and members of the Corporation's

Corporate Governance and Nominating Committee and, if concerning financial statement disclosure, accounting procedures, internal financial controls or auditing matters, the information or report will be forwarded to the independent Chair of the Corporation's Audit Committee for due consideration, in each case with notice to the Chair of the Board.

Individuals may also submit such financial, accounting and auditing concerns directly to the independent Chair of the Corporation's Audit Committee at:

Audit Committee Chair
c/o Performance Sports Group Ltd.
100 Domain Drive
Exeter, New Hampshire
03833 USA

Or

audit.committeechair@performancesportsgroup.com

Information submitted through the Compliance Hotline or directly to the Chair of the Audit Committee will be treated on a confidential or anonymous basis, to the fullest extent permitted under applicable law, regulation or legal proceedings and to the greatest extent possible, consistent with the need for the Corporation to conduct an effective investigation of the reported issue.

23.0 Corporate Policies

The Board will adopt and review, as appropriate, policies and procedures designed to ensure that the Corporation, its directors, officers and employees comply, in all material respects, with all Applicable Regulatory Requirements and conduct the Corporation's business ethically and with honesty and integrity. Principal policies consist of:

- (a) Code of Business Conduct and Ethics;
- (b) Corporate Disclosure Policy;
- (c) Diversity Policy;
- (d) Insider Trading Policy;
- (e) Anti-Corruption Policy; and
- (f) Related Person Transactions Policy.

24.0 Assessing Board Performance

The Board will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Corporate Governance and Nominating Committee will receive comments from all directors as to the Board's performance and report annually to the Board with an assessment of the Board's performance, to be discussed with the full Board.

25.0 Review of Guidelines

The Corporate Governance and Nominating Committee will review and assess, as appropriate, the adequacy of these guidelines and recommend any proposed changes to the Board for consideration.

Approved by the Board of Directors
Performance Sports Group Ltd.
August 11, 2015

Appendix "A"

Diversity Policy

See attached.

DIVERSITY POLICY

1.0 Introduction

Performance Sports Group Ltd. (the “**Corporation**”) recognizes the importance and benefit of having a board of directors (the “**Board**”) and a slate of executive officers comprised of highly talented and experienced individuals, with a view toward fostering and promoting diversity among Board members and executive officers.

2.0 Objectives

The Board is committed to growth and development with respect to diversity among its Board members and executive officers. This may include, but is not limited to, diversity in regards to attributes such as gender, ethnicity, age, national origin, disability, sexual orientation and other dimensions.

In addition, the Board is committed to ensuring that its members are reflective of diverse professional experience, skills, knowledge and other attributes that are essential to its successful operation and the achievement of the Corporation’s current and future plans and objectives.

3.0 Mandate

The Board and its committees, as applicable, will, when identifying candidates to nominate for election to the Board or appointment as executive officers:

- (a) consider individuals who are highly qualified, based on their talents, experience, functional expertise and personal skills, character and qualities, and in light of the Corporation’s current and future plans and objectives as well as anticipated regulatory and market developments and any other factors that the Board or its committees, as applicable, deem appropriate;
- (b) consider criteria that promotes diversity, including with regard to gender, ethnicity, age, national origin, disability, sexual orientation, and other dimensions; and
- (c) consider the level of representation of women on the Board and in executive officer positions along with other markers of diversity when making recommendations for nominees to the Board or for appointment as executive officers and in general with regard to succession planning for the Board and executive officers.

Given the nature and size of the Corporation’s business and its industry, it may be challenging for the Corporation to identify a qualified pool of candidates that adequately reflects the various diverse characteristics that the Corporation seeks to promote. The Corporation has therefore not adopted any specific targets, but will promote its objectives as set out in this policy with a view to identifying and fostering the development of a suitable pool of candidates for nomination or appointment over time.