

**CANNTRUST HOLDINGS INC.**  
**NOMINATION AND GOVERNANCE COMMITTEE CHARTER**

**A. RESPONSIBILITY**

The Nomination and Governance Committee is responsible for assisting the Board of Directors (the "**Board**") of CannTrust Holdings Inc. (the "**Corporation**") in fulfilling its oversight responsibilities in relation to:

- (a) the Corporation's overall approach to corporate governance;
- (b) the size, composition and structure of the Board and its committees;
- (c) orientation and continuing education for directors;
- (d) related party transactions and other matters involving conflicts of interest; and
- (e) any additional matters delegated to the Nomination and Governance Committee by the Board.

**B. MEMBERS**

The Board shall elect annually from among its members the Nomination and Governance Committee, which shall be composed of three or more directors as determined by the Board, each of whom shall meet all applicable standards of independence under applicable laws, regulations, rules and guidelines, which determination of independence will be made by the Board.

The Board may remove members of the Nomination and Governance Committee at any time, with or without cause. The Chair shall be designated by the Board; provided, that if the Board does not so designate a Chair, the Nomination and Governance Committee shall choose one of its members to be its Chair by majority vote.

**C. DUTIES**

The Nomination and Governance Committee is responsible for performing the duties set out below as well as any other duties that are otherwise required by law or delegated to the Nomination and Governance Committee by the Board.

1. Human Resources Strategies

The Nomination and Governance Committee will:

- (a) review and monitor the Corporation's compliance with applicable human rights laws; and
- (b) review and monitor the Corporation's human resources strategies for consistency with the Corporation's vision, mission and core values.

## 2. Board Size, Composition and Structure

The Nomination and Governance Committee will examine the size of the Board and recommend to the Board a size that facilitates effective decision-making. In addition, taking into consideration the recommended size of the Board, the Nomination and Governance Committee will recommend the number of Board positions to be filled by Independent Directors, who should comprise at least a majority of the members of the Board.

The Nomination and Governance Committee will review the overall composition of the Board, taking into consideration such factors as business experience and specific areas of expertise of each director, and make recommendations to the Board as it determines appropriate.

The Nomination and Governance Committee will evaluate whether the necessary and appropriate committees exist to support the work of the Board and will make recommendations to the Board for the reorganization of responsibilities among committees, the creation of additional committees or subcommittees, or the elimination of committees as it determines to be appropriate.

## 3. Director Qualifications

The Nomination and Governance Committee will formulate and administer criteria for identifying, evaluating and recommending director candidates to stand for election at a meeting of shareholders or to fill a vacancy existing on the Board, which will reflect, among other things:

- (a) competencies, skills and personal qualities that the Board considers to be necessary for the Board, as a whole, to possess;
- (b) competencies, skills and personal qualities that the Board considers each existing director to possess;
- (c) competencies, skills and personal qualities that each new director would bring to the Board; and responsibilities that would materially interfere with or be incompatible with Board membership.

## 4. Board Succession

The Nomination and Governance Committee will develop and maintain a Board succession plan that is responsive to the Corporation's needs and the interests of its shareholders.

## 5. Candidates for Board Membership

The Nomination and Governance Committee will recommend to the Board a list of candidates for nomination for election to the Board at the Corporation's annual meeting of shareholders. In addition, as the need arises, it will identify and recommend to the Board new candidates for Board membership. Should the Nomination and Governance Committee recommend a Lead Director be appointed to the Board, or should a vacancy occur in the role of Lead Director, the Nomination and Governance Committee will, recommend to the Board an Independent Director to fill such role. In making its recommendations to the Board, the Nomination and Governance

Committee will provide an assessment of whether each candidate is or would be: (i) an Independent Director; and (ii) "financially literate" as defined in National Instrument 52-110 – *Audit Committees*.

#### 6. Appointments to Board Committees

The Nomination and Governance Committee will recommend to the Board those directors it considers qualified for appointment to each Board committee. Where a vacancy occurs at any time in the membership of any Board committee, the Nomination and Governance Committee will recommend to the Board a director to fill such vacancy.

#### 7. Compensation of Directors

The Nomination and Governance Committee will periodically review the adequacy and form of directors' compensation and recommend to the Board a compensation model that appropriately compensates directors for the responsibilities and risks involved in being a director or a member of one or more Board committees, as applicable.

#### 8. Approach to Nomination and Governance

The Nomination and Governance Committee will review the Corporation's overall approach to corporate governance and make recommendations to the Board in this regard. Among other things, the Nomination and Governance Committee will:

- (a) review and assess the Board Mandate and recommend any amendments to the Board;
- (b) review the charter of each committee and recommend any amendments to the Board;
- (c) review the position description for the Chair and recommend any amendments to the Board;
- (d) review and recommend the implementation of structures and procedures to facilitate the Board's independence from management and to avoid conflicts of interest;
- (e) monitor relationships between senior management and the Board, and recommend procedures to allow directors to have access to, and an effective relationship with, senior management;
- (f) be available as a forum for addressing the concerns of individual directors;
- (g) recommend to the Board a process for evaluating the contributions of individual directors to assist the Board in assessing directors' suitability for re-election;
- (h) meet separately with each member of senior management on an annual basis;

- (i) work with the Chief Executive Officer and other members of senior management to foster a healthy corporate governance culture within the Corporation; and
- (j) monitor developments in the area of corporate governance and recommend initiatives that will help the Corporation maintain high standards of corporate governance.

9. Orientation and Continuing Education for Directors

The Nomination and Governance Committee will confirm that procedures are in place and resources are made available to provide new directors with a proper orientation to both the Corporation and their responsibilities and duties as directors and to provide other directors with appropriate continuing education opportunities.

10. Related Party Transactions and Conflicts of Interest

The Nomination and Governance Committee will review all proposed related party transactions and situations involving a potential conflict of interest that are not required to be dealt with by an "independent special committee" pursuant to securities law rules. Any member of the Nomination and Governance Committee who is a party to or has a potential conflict of interest in a proposed transaction, or who has a material interest in any related party transaction or is a party to a related party transaction, must abstain from any vote on that transaction.

11. Code of Ethics and Business Conduct The Nomination and Governance Committee will:

- (a) review and assess the Corporation's Code of Ethics and Business Conduct in place from time to time to confirm that it addresses, among other things, conflicts of interest, corporate opportunities, confidentiality, fair dealing, protection and proper use of the Corporation's assets, compliance with applicable laws, rules and regulations (including insider trading laws) and the reporting of illegal or unethical behaviour, and establishes mechanisms to facilitate the effective operation of the Code of Ethics and Business Conduct and the granting of waivers of the Code of Ethics and Business Conduct;
- (b) approve any waivers of the Code of Ethics and Business Conduct sought by directors or members of senior management; and
- (c) confirm that any waivers of the Code of Ethics and Business Conduct for directors or members of senior management are promptly disclosed to shareholders as may be required by law, rule, regulation or stock exchange requirement.

The Code of Ethics and Business Conduct will be posted on the Corporation's website and management information circulars of the Corporation will state that the Code of Ethics and Business Conduct is available on the website or is available in print to any shareholder who requests a copy.

## **D. REPORTING**

The Nomination and Governance Committee will:

- (a) regularly report to the Board on all significant matters it has addressed and with respect to such other matters that are within its responsibilities; and
- (b) oversee the preparation of the "Statement of Corporate Governance" sections of the Corporation's management information circular or other public documents as required.

## **E. MEETINGS**

Subject to the Corporation's by-laws and articles and the requirements under the *Business Corporations Act* (Ontario):

### **1. Scheduling**

The Nomination and Governance Committee will meet at least two (2) times annually, or more frequently as it determines is necessary to fulfill its responsibilities. A meeting of the Nomination and Governance Committee may be called by the Chair of the Nomination and Governance Committee, the Chair of the Board, the Chief Executive Officer or any Nomination and Governance Committee member.

Meetings will be held at a location determined by the Chair of the Nomination and Governance Committee. Meetings may be held in person or by tele or video conference. The Committee may also act by unanimous written consent, whether given in writing or electronically, in lieu of a meeting.

### **2. Notice**

Notice of the time and place of each meeting will be given to each member either by telephone or other electronic means not less than 48 hours before the time of the meeting. Meetings may be held at any time without notice if all of the members have waived or are deemed to have waived notice of the meeting. A member participating in a meeting will be deemed to have waived notice of the meeting.

### **3. Agenda**

The Chair of the Nomination and Governance Committee will preside as Chair of each meeting and will establish the agenda for each meeting and lead discussion on meeting agenda items. The Chair shall instruct management to circulate properly prepared agenda materials to Committee members with sufficient time to review prior to scheduled meetings. Any member may propose the inclusion of items on the agenda, request the presence of or a report by any member of senior management, or at any meeting raise subjects that are not on the agenda for the meeting.

### **4. Distribution of Information**

The Chair of the Nomination and Governance Committee will distribute, or cause the Secretary to distribute, an agenda and meeting materials in advance of each meeting to allow members sufficient time to review and consider the matters to be discussed.

5. Attendance and Participation

Each member is expected to attend all meetings. A member who is unable to attend a meeting in person may participate by telephone or teleconference.

6. Quorum

Two members will constitute a quorum for any meeting of the Nomination and Governance Committee.

7. Voting and Approval

At meetings of the Nomination and Governance Committee, each member will be entitled to one vote and questions will be decided by a majority of votes. In case of an equality of votes, the Chair of the Nomination and Governance Committee will not have a second or casting vote in addition to his or her original vote.

8. Procedures

Procedures for Nomination and Governance Committee meetings will be determined by the Chair of the Nomination and Governance Committee unless otherwise determined by the by-laws of the Corporation or a resolution of the Nomination and Governance Committee or the Board.

9. Transaction of Business

The powers of the Nomination and Governance Committee may be exercised at a meeting where a quorum is present in person or by telephone or other electronic means, or by resolution in writing signed by all members entitled to vote on that resolution at a meeting of the Nomination and Governance Committee.

10. Absence of Chair

In the absence of the Chair of the Nomination and Governance Committee at a meeting of the Nomination and Governance Committee, the members in attendance must select one of them to act as chair of that meeting.

11. Secretary

The Nomination and Governance Committee may appoint one of its members or any other person to act as secretary.

12. Minutes of Meetings

A person designated by the Chair of the Nomination and Governance Committee at each meeting will keep minutes of the proceedings of the Nomination and Governance Committee and the Chair will cause the Secretary to circulate copies of the minutes to each member on a timely basis.

**F. CHAIR**

Each year, the Board will appoint one member to be Chair of the Nomination and Governance Committee. If, in any year, the Board does not appoint a Chair of the Nomination and Governance Committee, the incumbent Chair of the Nomination and Governance Committee will continue in office until a successor is appointed.

**G. REMOVAL AND VACANCIES**

Any member of the Nomination and Governance Committee may be removed and replaced at any time by the Board, and will automatically cease to be a member as soon as he or she ceases to meet the qualifications set out above.

The Board will fill vacancies on the Nomination and Governance Committee by appointment from among qualified members of the Board on the recommendation of the Nomination and Governance Committee. If a vacancy exists on the Nomination and Governance Committee, the remaining members will exercise all of its powers so long as a quorum remains in office.

**H. ASSESSMENT**

At least annually, the Nomination and Governance Committee will assess its effectiveness in fulfilling its responsibilities and duties as set out in this Charter and in a manner consistent with the Board Mandate adopted by the Board.

**I. REVIEW AND DISCLOSURE**

The Nomination and Governance Committee will review this Charter at least annually and submit it to the Board for approval together with such amendments as it deems necessary and appropriate.

This Charter will also be posted on the Corporation's website and the annual report of the Corporation will state that this Charter is available on the website or is available in print to any shareholder who requests a copy.

**J. ACCESS TO OUTSIDE ADVISORS**

The Nomination and Governance Committee may retain any outside advisor, including a director search firm, at the expense of the Corporation at any time and has the authority to determine any such advisor's fees and other retention terms.

The Nomination and Governance Committee, and any outside advisors retained by it, will have access to all records and information relating to the Corporation which it deems relevant to the performance of its duties.

**K. LIMITATIONS ON THE NOMINATION AND GOVERNANCE COMMITTEE'S DUTIES**

Nothing in this Charter is intended or may be construed as imposing on any member of the Nomination and Governance Committee or the Board a standard of care or diligence that is in any way more onerous or extensive than the standard to which the directors are subject under applicable law. This Charter is not intended to change or interpret the amended articles of incorporation or by-laws of the Corporation or any federal, provincial, state or exchange law, regulation or rule to which the Corporation is subject, and this Charter should be interpreted in a manner consistent with all such applicable laws, regulations and rules. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision contained herein is intended to give rise to civil liability to securityholders of the Corporation or other liability whatsoever.

Any action that may or is to be taken by the Committee may, to the extent permitted by law or regulation, be taken directly by the Board.