



**GREENLANE  
RENEWABLES™**

**NOTICE OF ANNUAL GENERAL MEETING  
OF SHAREHOLDERS TO BE HELD  
ON JUNE 21, 2023 AND  
MANAGEMENT INFORMATION CIRCULAR**

**Greenlane Renewables Inc.  
Suite 110, 3605 Gilmore Way  
Burnaby, British Columbia  
Canada V5G 4X5**

*These documents are important and require your immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this information circular, please contact your advisor.*



## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting of the shareholders (the “**Meeting**”) of Greenlane Renewables Inc. (the “**Company**”) will be held at the offices of Greenlane Renewables Inc. located at Suite 110, 3605 Gilmore Way, Burnaby, British Columbia, Canada on June 21, 2023 at 11:00 a.m. (PDT) for the following purposes:

1. to receive the audited financial statements of the Company for the year ended December 31, 2022 and 2021 and the auditors’ report thereon (see the accompanying Management Information Circular (the “**Circular**”) – “*Financial Statements*”);
2. to elect seven directors for the ensuing year (see the Circular – “*Election of Directors*”); and
3. to appoint PricewaterhouseCoopers LLP, Chartered Professional Accountants, as the Company’s auditor until the next annual meeting of shareholders (see the Circular – “*Appointment of Auditor*”).

No other matters are contemplated for consideration at the Meeting; however, any permitted amendment to or variation of any matter identified in this notice of the Meeting (the “**Notice**”) may properly be considered at the Meeting. The Meeting may also consider the transaction of such other business as may properly come before the Meeting or any adjournment thereof.

The Circular accompanying this Notice contains more detailed particulars of matters to be considered at the Meeting. Copies of the Company’s audited financial statements for the year ended December 31, 2022 and 2021, report of the auditor thereon and related management discussion and analysis (the “**Annual Financials**”), will be made available at the Meeting and are available on SEDAR at [www.sedar.com](http://www.sedar.com).

Only shareholders of record at the close of business on May 3, 2023 will be entitled to vote at the Meeting.

### **Notice-and-Access**

The Company has elected to use the notice-and-access model (“**Notice-and-Access Provisions**”) set out in National Instrument 51-102 – *Continuous Disclosure Obligations* and in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* for the delivery of proxy materials related to the Meeting. The Notice-and-Access Provisions allow a Company to reduce the volume of materials to be physically mailed to shareholders by posting the management information circular and any additional annual meeting materials (the “**Proxy Materials**”) online. Under the Notice-and-Access Provisions, instead of receiving paper copies of the Circular, shareholders will receive only the notice-and-access notification to shareholders (the “**N&A Notification**”) and a form of proxy (the “**Proxy**”). In the case of beneficial (non-registered) shareholders, they will receive the N&A Notification and a voting instruction form (the “**VIF**”). The Proxy (or VIF) enables shareholders to vote. **Before voting, shareholders are reminded to review the Circular online by logging onto the website access page provided and following the instructions set out below.** Shareholders have the option to choose to request a printed copy of the Circular by following the procedures set out below.

Shareholders will find a copy of the Proxy Materials and the Annual Financials posted on the Company’s website at <https://www.greenlanerenewables.com/investors/financials-and-regulatory-filings/2023/>.

## How to Obtain a Paper Copy of the Circular

Any shareholder may request a paper copy of the Circular be mailed to them at no cost by contacting the Company at Suite 110, 3605 Gilmore Way, Burnaby, British Columbia, Canada V5G 4X5; via email at [info@greenlanerenewables.com](mailto:info@greenlanerenewables.com); by telephone at +1-604-259-0343; or by telephone toll-free at +1-833-484-2862 up to and including the date of the Meeting, including any adjournment of the Meeting. A shareholder may also use the toll-free number to obtain additional information regarding the Notice-and-Access Provisions. Shareholders should note the telephone toll-free number will not be available after the Meeting.

To allow adequate time for shareholders to receive and review a paper copy of the Circular and then to submit their vote by **11:00 a.m. (Pacific Daylight Time) on Monday, June 19, 2023** (the “**Proxy Deadline**”), shareholders requesting a paper copy of the Circular as described above should ensure such request is received by the Company no later than June 5, 2023. Under Notice-and-Access Provisions, the Proxy Materials must be available for viewing for up to one year from the date of posting. A paper copy of the Circular may be requested at any time during this period. To obtain a paper copy of the Circular after the Meeting date, please contact the Company at Suite 110, 3605 Gilmore Way, Burnaby, British Columbia, Canada V5G 4X5; or via email at [info@greenlanerenewables.com](mailto:info@greenlanerenewables.com) or by telephone at +1-604-259-0343. Any shareholder may request that a paper copy of the Circular be mailed to them within a year following the Meeting by contacting the Company directly using one of the ways set out above, other than the toll-free number.

The Company will **not** use a procedure known as “**stratification**” in relation to its use of the Notice-and-Access Provisions. Stratification occurs when a reporting issuer, while using Notice-and-Access Provisions, also provides a paper copy of the Circular to some of its shareholders with the notice package (as defined in the Circular). In relation to the Meeting, all shareholders will receive the required documentation under Notice-and-Access Provisions, which will **not** include a paper copy of the Circular.

**Registered shareholders who are unable to attend the Meeting in person and who wish to ensure that their shares will be voted at the Meeting are requested to complete, date and sign the form of Proxy enclosed with the notice package, or another suitable form of proxy, and deliver it in accordance with the instructions set out in the form of proxy and in the accompanying Circular.**

**Non-registered (beneficial) shareholders who plan to attend the Meeting must follow the instructions set out in the VIF enclosed with the notice package and in the accompanying Circular to ensure that their Common Shares will be voted at the Meeting. If you hold your Common Shares in a brokerage account, you are a non-registered (beneficial) shareholder.**

We encourage you to take time to review this document and vote your shares. Engaging with shareholders and stakeholders continues to be a priority for both management and the Board.

**DATED** at Burnaby, British Columbia this 10<sup>th</sup> day of May, 2023.

## BY ORDER OF THE BOARD OF DIRECTORS

(signed) “*Brad Douville*”

Brad Douville  
Chief Executive Officer and Director

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## MANAGEMENT INFORMATION CIRCULAR

This management information circular is dated May 10, 2023 and is furnished in connection with the solicitation of proxies by the management of Greenlane Renewables Inc. for use at the annual general meeting (the “Meeting”) of its shareholders (the “Shareholders”) to be held on June 21, 2023 at the time and place and for the purposes set forth in the accompanying notice of the Meeting (the “Notice”).

In this management information circular, references to “the **Company**”, “**we**” and “**our**” refer to **Greenlane Renewables Inc.** “**Common Shares**” means common shares without par value in the capital of the Company. “**Beneficial Shareholders**” means Shareholders who do not hold Common Shares in their own name and “**intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

## GENERAL PROXY INFORMATION

### Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

### Notice-and-Access

The Company has chosen to deliver the Notice and this management information circular (together, the “**Circular**” and form of proxy (the “**Proxy**” and together with the Circular, the “**Proxy Materials**”) using notice-and-access provisions, which govern the delivery of proxy-related materials to Shareholders utilizing the internet. The notice-and-access provisions are found in section 9.1.1 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) for delivery to registered Shareholders and in section 2.7.1 of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) for delivery to Beneficial Shareholders (together, the “**Notice-and-Access Provisions**”).

The Notice-and-Access Provisions allow the Company to choose to deliver Proxy Materials to Shareholders by posting them on a non-SEDAR website (usually the reporting issuer’s website or the website of their transfer agent), provided that the conditions of NI 51-102 and NI 54-101 are met, rather than by printing and mailing the Circular document together with the Proxy. Notice-and-Access Provisions can be used to deliver materials for both general and special meetings of shareholders. The Company may still choose to continue to deliver the Circular by mail under standard mailing provisions, and, pursuant to the Notice-and-Access Provisions, Shareholders are entitled to request a paper copy of the Circular document be mailed to them at the Company’s expense.

Use of the Notice-and-Access Provisions reduces paper waste and the Company’s printing and mailing costs. Under the Notice-and-Access Provisions, the Company must send a notice confirming internet availability (the “**N&A Notification**”) and a form of proxy (together, the “**notice package**”) to each Shareholder, including registered and Beneficial Shareholders, indicating that the Proxy Materials have been posted on the Company’s website and explaining how a Shareholder can access them or how they may obtain a paper copy of the Circular from the Company. The Circular has been posted in full, together with the N&A Notification and the Proxy, on the Company’s

website at <https://www.greenlanerenewables.com/investors/financials-and-regulatory-filings/2023/> and under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

**The Circular contains details of matters to be considered at the Meeting.**

**Please review the Circular before voting.**

### How to Obtain a Paper Copy of the Circular

Any Shareholder may request a paper copy of the Circular be mailed to them at no cost by contacting the Company at Suite 110, 3605 Gilmore Way, Burnaby, British Columbia, Canada V5G 4X5; via email at [info@greenlanerenewables.com](mailto:info@greenlanerenewables.com); by telephone at +1-604-259-0343; or by telephone toll-free at +1-833-484-2862 up and including the date of the Meeting.

To allow adequate time for Shareholders to receive and review a paper copy of the Circular and then to submit their vote by **11:00 a.m. (Pacific Daylight Time) on Monday, June 19, 2023** (the "**Proxy Deadline**"), Shareholders requesting a paper copy of the Circular as described above, should ensure such request is received by the Company no later than **June 5, 2023**. Under the Notice-and-Access Provisions, the Proxy Materials must be available for viewing for up to one year from the date of posting. A paper copy of the Circular may be requested at any time during this period. To obtain a paper copy of the Circular after the Meeting date, please contact the Company at Suite 110, 3605 Gilmore Way, Burnaby, British Columbia, Canada V5G 4X5; or via email at [info@greenlanerenewables.com](mailto:info@greenlanerenewables.com); or by telephone at +1-604-259-0343.

Pursuant to Notice-and-Access Provisions, the Company has set the record date for the Meeting to be at least 40 days prior to the Shareholder meeting in order to ensure there is sufficient time for the Proxy Materials to be posted on the applicable website and for the notice package to be delivered to Shareholders. The N&A Notification included with the Company's notice package must: (i) provide basic information about the Meeting and the matters to be voted on, (ii) explain how a Shareholder can obtain a paper copy of the Circular, any related financial statements and related management discussion and analysis, and (iii) explain the Notice-and-Access Provisions process. These items have been built into the N&A Notification, which has been delivered to Shareholders by the Company, along with the applicable voting document: a form of Proxy in the case of registered Shareholders; or a Voting Instruction Form in the case of non-registered (Beneficial) Shareholders.

The Company will not rely upon the use of "stratification". Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of its information circular with the notice to be provided to its shareholders as described above. In relation to the Meeting, all Shareholders will have received the required documentation under the Notice-and-Access Provisions and all documents required to vote in respect of all matters to be voted on at the Meeting. Shareholders will **not** receive a paper copy of the Circular from the Company, or from any intermediary, unless such Shareholder specifically requests one.

All Shareholders may call +1-833-484-2862 (toll-free) to obtain additional information relating to the Notice-and-Access Provisions or to obtain a paper copy of the Circular, up to and including the date of the Meeting, including any adjournments of the Meeting.

### Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the "**Proxy**") are officers and/or directors of the Company. **If you are a Shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

## Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy and, if applicable, for the nominees of management for directors and auditors as identified in the Proxy.**

## Registered Shareholders

If you are a registered Shareholder (a Shareholder whose name appears on the records of the Company as the registered holder of Common Shares), you may wish to vote by proxy whether or not you attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by using one of the following methods:

- (a) by completing, dating and signing the enclosed form of proxy and returning it by mail to the Company's transfer agent, Olympia Trust Company, PO Box 128 Stn M, Calgary, Alberta, Canada T2P 2H6, Attention: Proxy Dept., by email to [proxy@olympiustrust.com](mailto:proxy@olympiustrust.com) or by delivering it by fax to +1-403-668-8307; or
- (b) by using the internet through the Olympia Trust Company website at <https://css.olympiustrust.com/pxlogin>. Registered Shareholders who choose this option must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number.

## Beneficial Shareholders

**The following information is of significant importance to Shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered Shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of intermediaries. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of Shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a Voting Instruction form (the

“VIF”) in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company’s Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any Shareholder’s representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares at the Meeting.**

There are two kinds of Beneficial Shareholders – those who object to their name being made known to the issuers of securities which they own (called “**OBOs**” for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called “**NOBOs**” for Non-Objecting Beneficial Owners).

The notice package prepared for dissemination of Meeting proxy materials is being mailed to the registered Shareholders by the Company’s transfer agent, Olympia Trust Company, and it is being mailed to the Beneficial Shareholders by Broadridge and other intermediaries.

The securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent sent these materials directly to you, your name, address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

If the Company chooses to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your Voting Instruction Form as specified in the request for voting instructions that was sent to you.

For the Meeting, because the Company has chosen **not** to utilize the direct mailing provision under National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the VIF will be sent by Broadridge in the notice package to Beneficial Shareholders.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

### **Notice to Shareholders in the United States**

This solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia and the securities laws of applicable provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of applicable provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of applicable provinces of Canada differ from the disclosure requirements under United States securities laws.

### **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a registered Shareholder who has given a proxy may revoke it by:



- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered Shareholder or the registered Shareholder's authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Olympia Trust Company or at the address of the registered office of the Company at Suite 1500, 1055 West Georgia Street, PO Box 11117, Vancouver, British Columbia, Canada V6E 4N7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the registered Shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

### INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

To the best of the Company's knowledge, no director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

### VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

#### Record Date

The board of directors (the "Board") of the Company has fixed May 3, 2023 as the record date (the "Record Date") for determination of persons entitled to receive notice of the Meeting. Only Shareholders of record at the close of business on the Record Date who either (i) attend the Meeting personally or (ii) complete, sign and deliver a Proxy in the manner and subject to the provisions described above, will be entitled to vote or to have their Common Shares voted at the Meeting.

#### Voting Securities

The Company is authorized to issue an unlimited number of Common Shares. As at May 3, 2023, the Record Date, there were 153,013,239 Common Shares outstanding, each without par value and each carrying the right to one vote.

To the knowledge of the directors and executive officers of the Company there are no persons or companies that beneficially own, or control or direct, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to all outstanding Common Shares as of the date hereof.

### VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. With respect to the election of directors, the Board has determined there will be seven director positions to be filled at the Meeting. If there are more nominees for election as director, pursuant to the Advance Notice Provisions (see "Advance Notice Provisions" below), than there are vacancies to fill, the seven nominees receiving the greatest number of votes will be elected. If the number of nominees for election is equal to the number of vacancies to be filled, all such nominees will be declared elected by acclamation. Subject to the majority vote policy described below, the seven nominees receiving the highest number of votes are elected, even if a director gets fewer "for" votes than "withhold" votes. Similarly, unless there is a nomination from the floor for an alternative auditor, the auditor proposed by management of the Company will be appointed.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Receipt of Financial Statements

The annual financial statements of the Company for the year ended December 31, 2022 and 2021, the accompanying auditor's report and the related management discussion and analysis (all of which may be obtained from SEDAR at [www.sedar.com](http://www.sedar.com) and copies of which will be presented at the Meeting) will be placed before Shareholders at the Meeting.

### Election of Directors

#### *Overview*

The Company currently has seven directors, each of whose term of office shall expire at the termination of the Meeting unless each such director is re-elected as a director at the Meeting. Pursuant to the Articles of the Company, the Board has determined that seven directors will be elected to the Board at the Meeting.

**The Board, upon the recommendation of the Corporate Governance and Nominating Committee, has proposed that the following seven nominees set forth below be approved as the Company's directors. Unless otherwise directed, it is the intention of the proxy designees, if named as proxy, to vote proxies in the accompanying form in favour of an ordinary resolution for the election of the seven nominees named below:**

- Candice Alderson
- Brad Douville
- Elaine Wong
- David Blaiklock
- Patricia Fortier
- David Demers
- Wade Nesmith

**The Board does not contemplate that any of the nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of proxy designees will be voted for another nominee in their discretion, unless a Shareholder has specified in its proxy that its Common Shares are to be withheld from voting in the election of directors.** Each director elected will hold office until the Company's next annual meeting of Shareholders or until his or her successor is duly elected or appointed pursuant to the Articles of the Company.

#### *Majority Voting for Directors*

The Board has adopted a Majority Voting Policy for the Company (the "**Majority Voting Policy**") that will be applicable to the election of directors at the Meeting. Under the Majority Voting Policy, in an uncontested election of directors, any nominee for director who does not receive a greater number of votes "for" his or her election than votes "withheld" from such election will immediately tender his or her resignation to the chair of the Board following such election. A director who tenders a resignation pursuant to this Majority Voting Policy will not participate in any meeting of the Board or any committee of the Board at which his or her resignation is considered unless the director's attendance is necessary for the purpose of determining whether the Board or committee has quorum. Within 90 days after the date of the Meeting, the Board shall determine whether or not to accept the resignation and shall accept the resignation absent exceptional circumstances. If the Board determines not to accept the resignation based on exceptional circumstances, then the Board is expected to take active steps to resolve the exceptional circumstances the following year. If accepted by the Board, the resignation will be effective immediately. The Company will promptly disclose the Board's decision by issuing a news release and if applicable, providing a copy of such release to the Toronto Stock Exchange (the "**TSX**"). The Majority Voting Policy applies only to uncontested elections, meaning elections where the number of directors nominated for election is equal to the number of directors to be elected.

### *Advance Notice Provisions*

The Articles of the Company, a copy of which were SEDAR filed on May 11, 2021, include advance notice provisions (the “**Advance Notice Provisions**”). The Articles were adopted upon incorporation on February 15, 2018, and are available for review on the Company’s website at [www.greenlanerenewables.com/about/governance/](http://www.greenlanerenewables.com/about/governance/) and under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The Advance Notice Provisions provide Shareholders, directors and management of the Company with a clear framework for nominating directors. Among other things, the Advance Notice Provisions fix a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special meeting of Shareholders and sets forth the minimum information that a Shareholder must include in the notice to the Company for the notice to be in proper written form.

The Company has not received notice of a nomination in compliance with the Company’s Articles, and, as such, any nominations other than nominations by or at the direction of the Board or an authorized officer of the Company will be disregarded at the Meeting.

### *Nominees for Election as Director*

The following table sets out, as at May 3, 2023, (a) the names of the nominees for election as directors, their current position with the Company and their residency, (b) the period of time during which each nominee has been a director of the Company, (c) each nominee’s principal occupation, business or employment within the five (5) preceding years or longer; and (d) the number of securities of the Company beneficially owned by each, directly or indirectly, or over which each exercises control or direction.

<b>Candice Alderson</b>			
Independent Director Since June 12, 2020 Vancouver, British Columbia, Canada	Ms. Alderson is currently the Chief ESG Officer for Artemis Gold Inc. From January 2019 to February 2021, she was Senior Vice President, Infrastructure Investments for Ledcor Industries Inc. From January 2017 to January 2019, she was Senior Vice President and Associate Corporate Counsel at Ledcor Industries Inc. From January 2009 to January 2017, she was Vice President and Associate Corporate Counsel at Ledcor Industries Inc. Ms. Alderson holds a Bachelor of Arts from Concordia University and an LLB from the University of Victoria. She is a member of the Law Society of British Columbia.		
<b>Board Committees</b>			
Chair of the Corporate Governance and Nominating Committee and a member of the Human Resources and Compensation Committee			
<b>Common Shares</b>	<b>RSUs</b>	<b>Options</b>	<b>Warrants</b>
35,000	77,229	-	-

David Blaiklock			
Independent Director Since February 15, 2018 North Vancouver, British Columbia, Canada	<p>Mr. Blaiklock is retired from a professional career in various financial leadership roles. From October 2014 to February 2015, he was an Executive Consultant of Primero Mining Corp. From July 2009 to September 2014, he was the Chief Financial Officer of Primero Mining Corp. From August 1995 to December 2008, he was the Vice President and Corporate Controller for Intrawest Corporation.</p> <p>Mr. Blaiklock holds a Bachelor of Arts in Economics and Business Studies from the University of Sheffield. He holds a CPA, CA designation in the Province of British Columbia and was previously a Chartered Accountant in the UK.</p>		
Board Committees			
Chair of the Audit Committee and a member of the Corporate Governance and Nominating Committee			
Common Shares	RSUs	Options	Warrants
2,710,079	108,611	625,000	-

David Demers			
Independent Director Since February 15, 2018 Vancouver, British Columbia, Canada	<p>Mr. Demers is a professional director and is currently the chair of Crocus Advisors Inc. Mr. Demers has served as a director of Montfort Capital Corp. (formerly TIMIA Capital Corp.) since May 2017, a director of Augurex Life Sciences Corp. since March 2018 and a director of Endurance Capital Corp. since March 2021. From October 2008 to March 2018, he was a director of Primero Mining Corp. He served as a director of Clean Energy Fuels Corp. from October 2000 to May 2008. From June 1995 to July 2016, he was the CEO of Westport Fuel Systems Inc.</p> <p>Mr. Demers holds a Bachelor of Science in Physics and a Juris Doctor from the University of Saskatchewan.</p>		
Board Committees			
Chair of the Corporate Development Committee and a member of the Human Resources and Compensation Committee			
Common Shares	RSUs	Options	Warrants
2,924,784	101,008	625,000	-

Brad Douville			
Director Since June 3, 2019 Vancouver, British Columbia, Canada	<p>Mr. Douville has been the CEO of the Company since June 2019. He was appointed President of the Alternative Energy Division of Pressure Technologies plc in November 2017, the business acquired by the Company on June 3, 2019. He was a founder of Westport Fuel Systems Inc. in 1995 and of Cummins Westport in 2001, holding a number of leadership positions including engineering, program management, product planning, service, sales, strategy and corporate development.</p> <p>Mr. Douville holds a Bachelor of Applied Science in Mechanical Engineering from the University of Alberta and Master of Applied Science in Mechanical Engineering from the University of British Columbia. He has an Executive Program Certificate from the Stanford School of Business.</p>		
Board Committees			
Member of the Corporate Development Committee			
Common Shares	RSUs	Options	Warrants
5,925,550	633,885	439,756	-

<b>Patricia Fortier</b>			
Independent Director Since June 3, 2019 Ottawa, Ontario, Canada	<p>Ms. Fortier is currently a Senior Fellow at University of Ottawa, since 2017. From October 2016 to June 2018, she was a Director of Primero Mining Corp. From September 2015 to October 2016, she was the Assistant Deputy Minister for Consular, Security and Legal Affairs of Global Affairs Canada, From November 2011 to August 2015 she served as the Canadian Ambassador to Peru and Bolivia. She is currently a director on a number of non-profit boards, Canadian Ambassadors Alumni Association, Canadian International Council and Women Executives on Boards.</p> <p>Ms. Fortier holds a Bachelor Arts (Honours) and a Masters of Public Administration from Queens University. She was a Weatherhead Fellow at Harvard University.</p>		
<b>Board Committees</b>			
Chair of the Human Resources and Compensation Committee and a member of the Audit Committee			
Common Shares	RSUs	Options	Warrants
4,600	108,611	300,000	-

<b>Wade Nesmith</b>			
Independent Director Since February 15, 2018 <sup>(1)</sup> Vancouver, British Columbia, Canada	<p>Mr. Nesmith is a professional director and is currently a director of Ryan Mortgage Income Fund and two associated companies. He was the founder of Primero Mining Corp. and served as its Chairman from 2010 to May 2018. He was a director of Westport Fuel Systems Inc. from July 2017 to July 2019 and a director of Wheaton Precious Metals Corp. (formerly Silver Wheaton Corp.) from December 2004 to May 2016. He was a senior partner at Lang Michener LLP (now McMillan LLP) from 1993 to 1998. Mr. Nesmith was the Executive Director (formerly the Superintendent of Brokers) for the British Columbia Securities Commission from 1989 to 1992.</p> <p>Mr. Nesmith holds a Bachelor of Laws from Osgoode Hall Law School at York University and is a member of the Law Society of British Columbia.</p>		
<b>Board Committees</b>			
Chairman of the Board, a member of the Corporate Development Committee and a member of the Corporate Governance and Nominating Committee			
Common Shares	RSUs	Options	Warrants
4,311,985	197,685	725,000	-

Note:

(1) Mr. Nesmith was a non-independent director prior to June 3, 2022.

<b>Elaine Wong</b>			
Independent Director Since July 21, 2020 Vancouver, British Columbia, Canada	<p>Ms. Wong is currently the President of Pine Street Ventures Ltd. since 2016. From 2010 to 2014, she was the Executive Vice-President, Strategic Development at Westport Fuel Systems Inc. and from 2003 to 2010, she was the Chief Financial Officer at Westport Fuel Systems Inc. From 2001 to 2003, she was the Director of Finance at Cummins Westport Inc. She was named one of Canada's Top 100 Most Powerful Women in 2010. Ms. Wong holds a Bachelor of Commerce (Honours) from the University of British Columbia and holds a CPA, CA designation in the Province of British Columbia.</p>		
<b>Board Committees</b>			
A member of the Audit Committee and a member of the Corporate Development Committee			
Common Shares	RSUs	Options	Warrants
10,000	73,843	-	-

### ***Cease Trade Orders, Bankruptcies, Penalties and Sanctions***

No proposed director is, as at the date of this Circular, or has been, within the last 10 years before the date of this Circular, a director, chief executive officer, or chief financial officer of any company (including the Company) that was (a) subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or (b) subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No proposed director is, as at the date of this Circular, or has been, within the last 10 years before the date of this Circular, a director or chief executive officer of any company (including the Company) that was (a) while that person was acting in that capacity, or within a year of ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager, or trustee appointed to hold the assets of the proposed director.

No proposed director has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

### ***No Arrangements for Election***

None of the director nominees proposed by management, are nominated under an arrangement or understanding between the director nominee and another person or company, except the members of the Board and management of the Company.

### ***Recommendation***

The Board unanimously recommends that Shareholders vote **FOR** the election of each of the director nominees listed in this Circular.

**In the absence of the instruction to the contrary, the persons designated by management in the Proxy intend to vote “FOR” each of the director nominees listed in this Circular.**

### ***Appointment of Auditor***

PricewaterhouseCoopers LLP, Chartered Professional Accountants, of Suite 1400, 250 Howe Street, Vancouver, British Columbia, Canada V6C 3S7, will be nominated at the Meeting for appointment as auditor of the Company for the Company’s ensuing fiscal year. PricewaterhouseCoopers LLP, Chartered Professional Accountants, have been the auditors of the Company since June 28, 2018.

At the Meeting, Shareholders will be asked to vote on the following ordinary resolution:

**BE IT RESOLVED THAT** PricewaterhouseCoopers LLP, Chartered Professional Accountants, be appointed as auditor of the Company until the close of the next annual general meeting.

The Board unanimously recommends that Shareholders vote **FOR** the appointment of PricewaterhouseCoopers LLP as auditor of the Company.

**In the absence of instruction to the contrary, the persons designated by management in the Proxy intend to vote “FOR” the preceding resolution.**

## AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

### Audit Committee Charter

The Company's Audit Committee Charter is attached as Schedule "A" to the Company's Annual Information Form ("AIF") which was filed under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com) on March 9, 2023. A copy of the AIF is available upon request from the Company at Suite 110, 3605 Gilmore Way, Burnaby, British Columbia, Canada V5G 4X5, telephone number +1-604-259-0343.

### Composition of the Audit Committee

The Company's Audit Committee members during the financial year ended December 31, 2022 were and currently consists of Mr. Blaiklock (Chair), Ms. Fortier and Ms. Wong. All Audit Committee members are considered to be "independent" and "financially literate" within the meaning of National Instrument 52-110 – *Audit Committees* ("NI 52-110").

An Audit Committee member is independent if the member has no direct or indirect material relationship with the Company that could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

An Audit Committee member is financially literate if the member has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

### Relevant Education and Experience

Each member of the Company's Audit Committee has the education or experience that provides such member with: (i) an understanding of the accounting principles used by the Company to prepare its financial statements; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves; (iii) experience in preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting.

### Audit Committee Oversight

At no time since the commencement of the Company's financial year ended December 31, 2022 has the Audit Committee made any recommendations to the Board to nominate or compensate any external auditor that was not adopted by the Board.

### Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in the Audit Committee Charter.

### External Service Fees

The Audit Committee has reviewed the nature and amount of the non-audit services provided by PricewaterhouseCoopers, LLP to the Company to ensure auditor independence. Fees incurred with PricewaterhouseCoopers, LLP for the period ended December 31, 2022 and period ended December 31, 2021 for audit and non-audit services are outlined in the following table:

Nature of Services	Fees Billed by Auditor in the Financial Year Ended December 31, 2022	Fees Billed by Auditor in the Financial Year Ended December 31, 2021
Audit Fees <sup>(1)</sup>	\$181,199	\$162,556
Audit-Related Fees <sup>(2)</sup>	Nil	\$41,176
Tax Fees <sup>(3)</sup>	Nil	Nil
All Other Fees <sup>(4)</sup>	Nil	Nil
<b>Total Auditor Fees</b>	<b>\$181,199</b>	<b>\$203,732</b>

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. "Audit Fees" include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. "Audit Fees" also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits.
- (4) "All Other Fees" include all other non-audit services.

For further information about specific procedures regarding the pre-approval of services provided by the Company's external auditors, please see the section titled "Audit Committee Information" in the Company's AIF, which is available on SEDAR at [www.sedar.com](http://www.sedar.com), as well as the section titled "Duties and Responsibilities – Matters Related to the External Auditor" in the Company's Audit Committee Charter which is contained in Schedule "A" to the AIF.

## CORPORATE GOVERNANCE

### General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the Board from executive management and the adoption of policies to ensure the Board recognizes the principles of good management. The Board is committed to sound corporate governance practices as such practices are both in the interests of Shareholders and help to contribute to effective and efficient decision-making.

The Board believes that good corporate governance improves corporate performance and benefits all Shareholders. The Canadian Securities Administrators (the "CSA") have adopted National Policy 58-201 – *Corporate Governance Guidelines*, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, the CSA have implemented National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101"), which prescribes certain disclosure by the Company of its corporate governance practices. This section sets out the Company's approach to corporate governance and addresses the Company's compliance with NI 58-101.

### Role of the Board of Directors

The Board is currently composed of seven directors. The Board facilitates its independent supervision over management of the Company through frequent "in camera" meetings of the Board at which members of management, including directors who are members of management, are not in attendance. The Board also reviews and approves the corporate financial goals, operating plans and actions of the Company, including significant capital allocations, expenditures and transactions that exceed thresholds set by the Board. Through the Audit Committee, the Board examines the Company's internal controls and risk management policies and procedures related to the finance and accounting aspects of the business. The Board believes that adequate structures and processes are in



place to facilitate the functioning of the Board with a sufficient level of independence from the Company's management. The Board is satisfied with the integrity of the Company's internal control and financial management information systems.

### Director Independence

The independence of directors is evaluated against the requirements set out in NI 58-101 and, for members of an audit committee, against the independence requirements set out in NI 52-110. A director is "independent" if he or she has no direct or indirect material relationship with the Company. A "material relationship" is one that could, in the view of the issuer's board of directors, reasonably be expected to interfere with the exercise of the director's independent judgement.

The Board considers all of the directors, with the exception of Mr. Douville who is the CEO, to be independent. There are no other material relationships that may have a bearing on director independence among the remaining six directors, all of whom are independent: Candice Alderson, David Blaiklock, David Demers, Patricia Fortier, Wade Nesmith and Elaine Wong.

### Board Meetings

The quorum for transaction of business at any meeting of the Board may be set by the directors and, if not so set, is deemed to be a majority of the directors. The Board Mandate provides that the Board meets at least once per quarter or more frequently as circumstances dictate.

### In Camera Sessions

In the 2022 year, at each Board meeting, the directors held an *in camera* session at which management was not present. Prior to June 3, 2022, on which date Mr. Nesmith was no longer considered under NI 52-110, section 1.4(3) to have a material relationship with the Company, there were separate *in camera* meetings where the Chairman and members of management were not in attendance which were led by the then Lead Independent Director. As well, at each Audit Committee meeting, the Audit Committee held an *in camera* session with the auditors.

### Attendance

There were seven meetings of the Board during the year ended December 31, 2022. The following table sets out the attendance of directors at meetings of the Board and the committees of the Board during 2022:

Director	Board	Audit Committee	Human Resources and Compensation Committee	Corporate Governance and Nominating Committee	Corporate Development Committee
Candice Alderson	7 of 7		5 of 5	3 of 3	
David Blaiklock	7 of 7	4 of 4		3 of 3	
David Demers	7 of 7		5 of 5	3 of 3 <sup>(1)</sup>	22 of 22
Brad Douville	7 of 7				22 of 22
Patricia Fortier	6 of 7	3 of 4	5 of 5		
Wade Nesmith	7 of 7				22 of 22
Elaine Wong	7 of 7	4 of 4			22 of 22

Note:

(1) On January 1, 2023, Wade Nesmith replaced David Demers on the Corporate Governance and Nominating Committee.

## Board Mandate

The Board has adopted a formal mandate, a copy of which is attached to this Circular as Schedule “A” and may be viewed on the Company’s website at [www.greenlanerenewables.com](http://www.greenlanerenewables.com). The Board mandate sets out among other things the duties, powers and responsibilities of the Board, which include supervising management of the Company, strategic planning, risk management, succession planning, communications policy, internal controls, corporate governance and measures for receiving feedback from security holders.

## Strategic Planning

The Board is responsible for leading the development of the Company’s strategy and overseeing the implementation of the Company’s strategic plans. The Board also reviews the results and assesses the performance of the Company’s business on an annual and quarterly basis. This performance is assessed against both past performance, performance targets and industry peers. While the Board delegates day-to-day management of the Company’s operations to executive management this is subject to certain limits. New strategic initiatives, acquisitions and investments are presented to the Board for review and approval. The Corporate Development Committee assists the Board with respect to the management of risk associated with the development and implementation of the Company’s strategic growth initiatives. See information under the heading “*Board Committees – Corporate Development Committee*” below.

## Management of Risk

The Board oversees the Company’s processes and systems for identification and management of the principal risks. The Board strives to effectively oversee the Company’s enterprise-wide risk management in a way that balances managing risks with enhancing the long-term value of the Company for the benefit of Shareholders. The Board understands that its focus on effective risk oversight is critical to setting the Company’s culture towards effective risk management. To administer this oversight function, the Board seeks to understand the Company’s risk philosophy by having discussions with management to establish a mutual understanding of the Company’s overall appetite for risk. The Board maintains an active dialogue with management about existing risk management processes and how management identifies, assesses and manages the Company’s most significant risk exposures. The Board expects updates from management about the Company’s most significant risks so as to enable it to evaluate whether management is responding appropriately.

The Board relies on its committees to help oversee the risk management responsibilities relating to the functions performed by such committees. The Audit Committee periodically discusses with management the Company’s major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company’s risk assessment and risk management policies. The Human Resources and Compensation Committee helps the Board to identify the Company’s exposure to any risks potentially created by the Company’s compensation programs and practices. The Corporate Governance and Nominating Committee assists the Board with respect to the management of risks associated with board organization, membership and structure, succession planning for directors, and corporate governance. The Corporate Development Committee assists the Board with respect to the management of risk associated with the development and implementation of the Company’s strategic growth initiatives. Each of these committees is required to make regular reports of its actions and any recommendations to the Board, including recommendations to assist the Board with its overall risk oversight function.

## Cyber Risk Oversight

The Audit Committee oversees policies, procedures, plans and execution of matters with respect to: (a) security, confidentiality, availability and integrity of the Company’s data, including personal information and customer and other third-party confidential information, (b) the Company’s information technology systems, including enterprise cybersecurity and privacy, and (c) the Company’s preparation for responding to any material incidents. The Audit Committee also oversees the Company’s compliance with applicable information security and data protection laws and industry standards, as well as any internal audits of the Company’s information technology systems and

processes. In addition, the Audit Committee annually reviews the Company's cyber insurance policies to ensure appropriate coverage.

### Position Descriptions for the Chair of the Board and CEO

The Board has developed and approved a written position description for the Chair of the Board that delineates the role and responsibilities of the Chair of the Board. The Chair of the Board is responsible for providing leadership to the Board in the discharge of its duties assigned to it by law, in the constating documents of the Company and in the Board Mandate. The Chair is appointed annually by majority vote of the non-management directors. The current Chair of the Board is Wade Nesmith. The Board and the Chief Executive Officer have also developed and approved a written position description for the Chief Executive Officer that delineates the role and responsibilities of the Chief Executive Officer.

### Interlocking Directorships

The Board Mandate specifies that the Board is not to have more than two board interlocks at any given time, other than with the prior approval of the Corporate Governance and Nominating Committee. An interlock occurs when two or more Board members are also fellow board members of another public company. In considering whether or not to approve having more than two directors to serve on the same board, the Corporate Governance and Nominating Committee will take into account all relevant considerations including, in particular, the total number of Board interlocks at that time.

Directors may serve on the boards of other companies so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. To devote the necessary time and effort to the activities of the Board and its committees, a director is not to sit on a total of more than five public company boards without the prior approval of the Corporate Governance and Nominating Committee. A director who serves as a chief executive officer of a public company should not sit on more than two public company boards in addition to the company of which he or she is a chief executive officer without the prior approval of the Corporate Governance and Nominating Committee.

No director of the Company is presently a director of any other issuer that is a reporting issuer (or the equivalent) other than Mr. Demers who is a director of Montfort Capital Corp. (formerly TIMIA Capital Corp.) and Endurance Capital Corp., both of which are listed on the TSX Venture Exchange and Mr. Nesmith who is a director of Ryan Mortgage Income Fund Inc., Manchester Investments Inc. and Blue Stripe Financial Ltd., all of which are reporting issuers that are not listed on a stock exchange.

### Orientation and Continuing Education

When new directors are elected or appointed, they receive an orientation on the Company, the role of the Board and its committees and the contribution individual directors are expected to make. Orientation may also include presentations by the Company's management to give the directors additional insight into the nature and operation of the Company's business. The Board provides continuing education opportunities for all directors so that they may maintain or enhance their skills and abilities as directors and ensure that their knowledge and understanding of the Company's business remains current. Directors also receive detailed monthly reports from management including updates on the renewable fuels sector in which the Company operates.

### Ethical Business Conduct

The Company has also adopted a Code of Business Conduct and Ethics (the "**Code**") which applies to its directors, officers and employees. The Code sets out expectations for the conduct of the Company's business in accordance with all applicable laws, rules and regulations and the highest ethical standards. The Code also addresses conflicts of interests, including transactions and agreements in respect of which a director or executive officer has a material

interest. The Code can be found at the Company's SEDAR profile page on [www.sedar.com](http://www.sedar.com) as well as on the Company's website at [www.greenlanerenewables.com](http://www.greenlanerenewables.com).

The Board has also relied on the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law to ensure the Board operates independently of management and in the best interests of the Company. The Board relies on these, combined with the conflict of interest provisions of the *Business Corporations Act* (British Columbia), as well as the relevant securities regulatory instruments, to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

### **Whistleblower Procedures**

The Company also has a whistleblower procedure set out in the Code pursuant to which Company personnel must promptly report any problems or concerns and any actual or potential violation of the Code. The procedure sets out who to contact and their contact details as well as requirements for prompt investigation, reporting and confidentiality and other obligations and protections. The whistleblower procedure as set out in the Code can be found at the Company's SEDAR profile page on [www.sedar.com](http://www.sedar.com) as well as on the Company's website at [www.greenlanerenewables.com](http://www.greenlanerenewables.com).

### **Corporate Disclosure Policy**

The Board has adopted a Corporate Disclosure Policy that is intended to ensure that all communications originating from the Company provide the Company's employees and current and potential shareholders with important and meaningful information. The Corporate Disclosure Policy applies to the dissemination of documents including, disclosure documents filed with applicable Canadian securities regulatory authorities and stock exchanges, the Company's annual and quarterly reports, and the Company's news releases. The Corporate Disclosure Policy may be viewed on the Company's website at [www.greenlanerenewables.com](http://www.greenlanerenewables.com).

### **Securities Trading and Reporting Guidelines**

The Company has a set of Securities Trading and Reporting Guidelines that are applicable to directors, officers and employees. These guidelines set out the rules and processes covering securities trades, blackout periods, confidential information and insider trading reporting. The Securities Trading and Reporting Guidelines may be viewed on the Company's website at [www.greenlanerenewables.com](http://www.greenlanerenewables.com).

### **Anti-Hedging**

The Securities Trading and Reporting Guidelines prohibit Company personnel from engaging in short-term or speculative transactions involving the Company's securities. Company personnel are not to engage in (a) trading in the Company's securities on a short-term basis (shares purchased in the open market should be acquired with the mindset of holding the shares for a minimum duration of not less than six months), (b) short sales or sales of borrowed securities of the Company, or (c) buying or selling puts or calls on the Company's securities. To the Company's knowledge, no director or officer, directly or indirectly, employed a strategy to hedge or offset a decrease in market value of options or share-based compensation or equity securities held during the year ended December 31, 2022.

### **Share Ownership Guidelines**

The Company has adopted Share Ownership Guidelines for directors and the CEO. Directors and the CEO are expected to hold the equivalent of three times their annual base retainer, or in the case of the CEO, his or her base salary. Directors and the CEO have five years from the later of the date of adoption of the guidelines and the date the guidelines became applicable to such director or the CEO. Common Shares and restricted share rights are eligible

for compliance with the guidelines and the Company will include the value of equity held directly or indirectly by the director or CEO, consistent with the equity holdings disclosed on SEDI. Equity held by a director or CEO will be valued based on the greater of (a) the closing price of the Common Shares on the date of the AIF and (b) the original acquisition cost or grant date value.

### **Compensation Clawback Policy**

The Board has adopted a Clawback Policy that provides guidance for the Company to adjust or recoup incentive compensation paid to executive officers when such compensation was based on results that are determined to have contained material misstatements or the executive officer committed demonstrable misconduct resulting in harm to the Company.

### **Board Committees**

In the 2022 year, the Board had the following committees: the Audit Committee; the Human Resources and Compensation Committee; the Corporate Governance and Nominating Committee; and the Corporate Development Committee. The Board has charters for each committee, all of which are available on the Company's website at [www.greenlanerenewables.com](http://www.greenlanerenewables.com). The Audit Committee Charter is also attached to the Company's AIF, which is available on SEDAR at [www.sedar.com](http://www.sedar.com). As well, the Board has developed and approved written position descriptions for the Board Committee Chairs.

### **Audit Committee**

See information under the heading "*Audit Committee and Relationship with Auditor*" above.

### **Human Resources and Compensation Committee**

See information under the heading "*Statement of Executive Compensation – Compensation Discussion and Analysis – Compensation Governance*" below.

### **Corporate Governance and Nominating Committee**

The Company has established the Corporate Governance and Nominating Committee to identify, interview and make recommendations to the Board with respect to new Board members. The Company's Corporate Governance and Nominating Committee is composed entirely of independent directors being Ms. Alderson (Chair), Mr. Blaiklock and Mr. Nesmith.

The Corporate Governance and Nominating Committee is responsible for developing and making recommendations to the Board concerning the Company's approach to corporate governance. The Corporate Governance and Nominating Committee also assists members of the Board in carrying out their duties and reviews with the Board the rules and policies applicable to governance of the Company to ensure the Company remains in full compliance with proper governance practices.

The nominating function of the Corporate Governance and Nominating Committee is to establish criteria for selecting nominee directors which reflect, among other facts, the nominee's integrity and business ethics, strength of character, judgment, experience and independence, as well as factors relating to the composition of the Board, including its size and structure, the relative strengths and experience of current Board members and principles of diversity. See "*Board Diversity*" below. The Corporate Governance and Nominating Committee considers and recruits candidates to fill new positions on the Board, reviews any candidate recommended by Shareholders, is responsible for conducting appropriate inquiries to establish a candidate's compliance with independence and other qualification requirements, assesses the contributions of current directors, and recommends the director nominees for election by the Shareholders.

## Corporate Development Committee

The Company has established the Corporate Development Committee to assist the Board with respect to the management of risk associated with the development and implementation of the Company's strategic growth initiatives. The Corporate Development Committee is comprised of Mr. Demers (Chair), Mr. Douville, Mr. Nesmith and Ms. Wong.

## Board Size

The Articles of the Company provide that the number of directors is set at the greater of: (a) three and (b) the number most recently set (i) by a resolution of the directors; and (ii) the number of directors actually or deemed elected at a meeting of the Shareholders in accordance with the Articles. The Board is presently comprised of seven directors.

The Articles of the Company and Section 122(3) of the *Business Corporations Act* (British Columbia) also permit the Board to appoint additional directors between annual meetings to a maximum of one-third of the number of directors elected at the last annual general meeting.

## Term Limits

The Board has not adopted a policy on term limits for directors or any other formal mechanism for Board renewal as the Board uses measurable performance and a skills matrix to determine whether new or different directors are required, based on the mix of skills and experience that the Board, as a whole, requires to provide strong stewardship for the Company.

## Board Diversity

The Board has adopted a board diversity policy (the "**Board Diversity Policy**") to set out a framework to promote diversity on the Board. The Board recognizes that diversity among its directors will support balanced decision and debate that, in turn, will enhance decision making by the Board and foster the Company's commitment to delivering benefits to its key stakeholders by utilizing the difference in perspective of the members of the Board.

The selection of candidates for appointment to the Board will be based on merit. Within that overriding emphasis on merit, the Corporate Governance and Nominating Committee shall seek to fill Board vacancies by considering candidates that bring a diversity of background and industry or related expertise and experience to the Board. The Corporate Governance and Nominating Committee's considerations shall include achieving an appropriate level of diversity having regard to factors such as skills, business and other experience, education, age, geographic location, and specified diversity groups. The Board will consider candidates with a view of maintaining a composition in which each of the female and male genders comprises at least 30% of the independent directors of the Board. Currently, three out of seven or 42% of the Board and two out of ten or 20% of the senior officers of the Company are female. The Corporate Governance and Nominating Committee will annually discuss and review the Board Diversity Policy and agree on the relevant measurable objectives for promoting diversity on the Board in light of the skills required on the Board at that time and make recommendations for consideration and approval of the Board. The Corporate Governance and Nominating Committee will monitor the implementation of the Board Diversity Policy and report to the Board on the achievement of the measurable objectives for promoting diversity and will annually consider the need for a Board renewal program intended to achieve the objectives and targets set out in this Policy.

## Director Assessments

The Corporate Governance and Nominating Committee evaluates the effectiveness of the Board and its committees with a view to ensuring that each are fulfilling their respective responsibilities and duties, taking into account, among other things, the competencies and skills each director brings as a member of the Board or a committee. An

evaluation questionnaire process was used to assess the effectiveness and contribution of the Board, its committees and individual directors. Detailed evaluation questionnaires are completed annually by each of the directors and are delivered to the Chair of the Corporate Governance and Nominating Committee. The evaluation questionnaires were distributed to, and completed by, all of the directors, providing feedback on the Board’s overall effectiveness, structure, culture, information, resources and processes. The Corporate Governance and Nominating Committee reviewed and considered the feedback received and will take any actions, if required, for continuous improvement.

## Skills Matrix

The Board, under the oversight of the Corporate Governance and Nominating Committee, has adopted the following skills matrix to assess the qualifications of each director. Directors were asked to indicate whether they have skills in the categories listed in the matrix. The Corporate Governance and Nominating Committee will use the matrix to determine whether new or different directors are required.

Board of Directors Skills Matrix							
	Candice Alderson	David Blaiklock	David Demers	Brad Douville	Patricia Fortier	Wade Nesmith	Elaine Wong
<b>Leadership and Executive Management</b>							
Executive Leadership	✓	✓	✓	✓	✓	✓	✓
Strategic Planning	✓	✓	E	✓	✓	✓	✓
Value Creation	✓	✓	✓	✓	✓	✓	✓
Human Resources and Compensation	✓	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	✓	✓	✓	✓	✓
Project Management	✓	✓	✓	✓	✓	✓	
<b>Industry Specific</b>							
Business Development	✓	✓	E	✓		✓	✓
Operations			✓	✓		✓	✓
Engineering				✓			
International Business		✓	✓	✓	✓	✓	✓
Sales and Marketing			✓	✓	✓	✓	
Supply Chain				✓			
<b>Accounting, Financial Management and Corporate Finance</b>							
Finance and Accounting		E	✓	✓	✓	✓	E
<b>Board and Governance</b>							
Board Experience	✓	✓	✓	✓	✓	✓	✓
Corporate Governance	E	✓	✓			✓	✓
Government and Public Policy	✓				✓	✓	
Legal and Regulatory	E	✓	✓			✓	✓
<b>Sustainability and Safety, Health and Environment</b>							
Corporate Social Responsibility and Sustainability	✓	✓	✓	✓	✓	✓	✓
Health, Safety and Environment	✓	✓		✓	✓	✓	

Board of Directors Skills Matrix							
	Candice Alderson	David Blaiklock	David Demers	Brad Douville	Patricia Fortier	Wade Nesmith	Elaine Wong
<b>Investor Relations</b>							
Investor Relations	✓	✓	✓	✓	✓	✓	✓

E expert in the specified skills area

✓ experience with or extensive responsibility supervising or governing the specified skills area

Skills	Qualification
<b>Leadership and Executive Management</b>	
Executive Leadership	Experience as a senior executive/officer of a publicly listed company or major organization
Strategic Planning	Experience with the development and implementation of a strategic direction of a large organization
Value Creation	Experience with evaluating, and executing on, value creation opportunities through acquisition, divestiture, mergers or developmental opportunities
Human Resources and Compensation	Experience with benefit, pension and compensation programs (in particular, executive compensation programs)
Risk Management	Knowledge of, and experience with internal risk controls, risk assessments and reporting
Project Management	Experience with initiating, planning, executing, controlling, and closing capital projects
<b>Industry Specific</b>	
Business Development	Experience with business development, including transactional and commercial experience
Operations	Management or executive experience with clean energy technology or renewable natural gas operations
Engineering	Knowledge of, and experience with engineering matters
International Business	Experience working in one or more international jurisdictions, including exposure to a range of political, cultural and regulatory environments
Sales and Marketing	Experience developing marketing and sales strategies
Supply Chain	Knowledge and experience overseeing an organization's inventory, warehousing, distribution and transportation functions
<b>Accounting, Financial Management and Corporate Financing</b>	
Finance and Accounting	Knowledge of, and experience with financial accounting and reporting, corporate finance and familiarity with internal financial/accounting controls and IFRS
<b>Board and Governance</b>	
Board Experience	Served as a board member of a public, private or non-profit entity
Corporate Governance	Broad understanding of corporate governance requirements and best practices
Government and Public Policy	Broad understanding of corporate, securities, land tenure and oil and gas law, regulatory regimes and governmental loyalty, incentive and taxation policies
Legal and Regulatory	Knowledge of, and experience with legal and regulatory matters with a publicly listed company or major organization



Skills	Qualification
<b>Sustainability and Safety, Health and Environment</b>	
Corporate Social Responsibility and Sustainability	Understanding and experience with corporate responsibility practices and sustainable development practices
Health, Safety and Environment	Understanding and experience with environmental compliance and workplace health and safety
<b>Investor Relations</b>	
Investor Relations	Experience managing external communications with investors and other stakeholders

## Shareholder Engagement

The Board and management welcome interaction with Shareholders and believe that it is important to have direct regular and constructive engagement with Shareholders to permit open dialogue and the exchange of ideas. The Company communicates with Shareholders and other stakeholders through various channels, including the Company's management information circulars, annual information forms, quarterly reports, news releases, website, presentations at investor and industry conferences and other materials prepared in connection with the continuous disclosure requirements of the TSX and securities regulatory authorities. In addition, management's quarterly earnings call is open to all Shareholders. Our website, at [www.greenlanerenewables.com](http://www.greenlanerenewables.com), also provides extensive information about the Company and all news releases issued by us are available on the website for viewing.

We maintain an approach of on-going communication with investors and with representatives of the investment community. This consists of periodic meetings with investment fund managers and investment analysts as well as individual investors and Shareholders, although always in circumstances that assure full compliance with disclosure requirements.

Inquiries by Shareholders are directed to, and dealt with by, members of senior management. Shareholders and potential investors are encouraged to communicate on any issues, including those relating to executive and director compensation, directly with members of our senior management. All communications are subject to our Corporate Disclosure Policy. Shareholders may communicate their views to senior management by contacting our main investor relations contact, Incite Capital Markets Inc., at telephone +1-604-493-2004 or by email at [ir@greenlanerenewables.com](mailto:ir@greenlanerenewables.com).

The Board values regular and constructive engagement with Shareholders and encourages Shareholders to express their views on governance matters directly to the Board. Questions regarding our governance practices can be sent to the Chair at Suite 110, 3605 Gilmore Way, Burnaby, British Columbia, Canada V5G 4X5, attention: Chair of the Board, or by email at [governance@greenlanerenewables.com](mailto:governance@greenlanerenewables.com).

## STATEMENT OF EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

The directors, based on recommendations of the Human Resources and Compensation Committee, develop the appropriate compensation policies for the directors, executive officers and employees. To determine appropriate compensation levels, the Human Resources and Compensation Committee reviews compensation paid for directors and executive officers of companies of similar size and stage of development and determine appropriate compensation reflecting the need to provide compensation and incentive for the time and effort expended by the directors and executive officers while taking into account the financial and other resources of the Company.

When determining compensation policies and individual compensation levels for the Company's executive officers, a variety of factors are considered, including the overall financial and operating performance of the Company, each

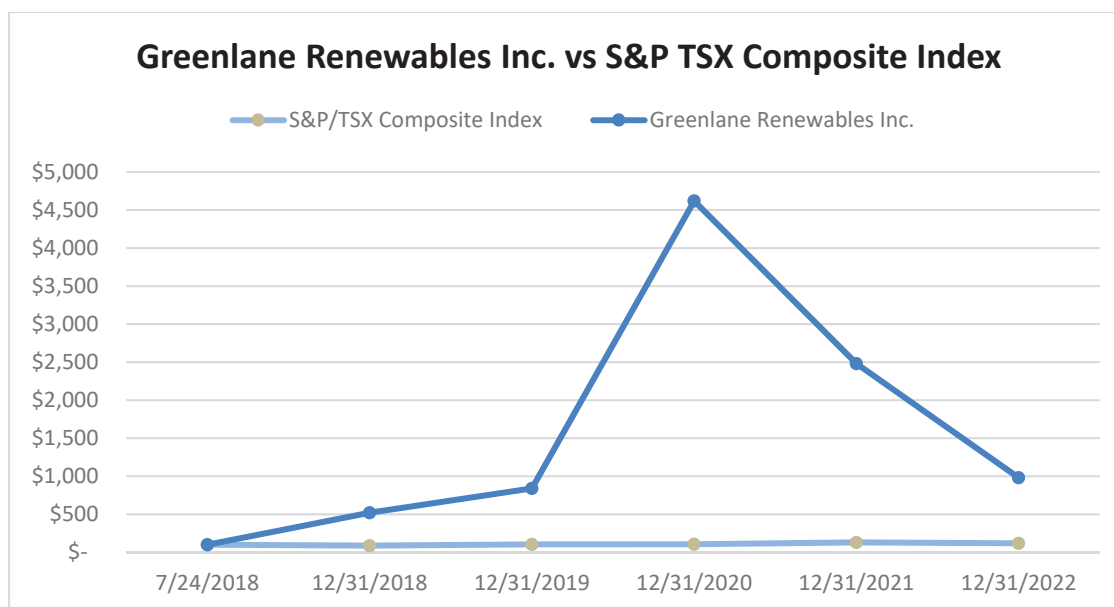
executive officer’s individual performance and contribution towards meeting corporate objectives, each executive officer’s level of responsibility and length of service and industry comparables.

For the financial year ended December 31, 2022, the Company’s compensation philosophy for its executive officers followed three underlying principles: (i) to provide compensation packages that encourage and motivate performance; (ii) to be competitive with other companies in the industry in which it operates, so as to attract and retain talented executives; and (iii) to align the interests of its executive officers with the long-term interests of the Company and its Shareholders through security based compensation programs.

The compensation program is designed to reward executive performance that advances the Company’s near term and longer term objectives established to support building sustainable value. The elements of the program consist of base salary, an annual bonus under a short term incentive plan (“STIP”) and an equity-based compensation grant under a long term incentive plan (“LTIP”). Benefits, including medical, dental, life and disability insurance, and RRSP matching, are also part of the compensation package.

### Performance Graph

The following is a line graph showing the Company’s cumulative total shareholder return assuming that \$100 was invested on July 24, 2018, the first day the Company became a reporting issuer, over the most recently completed financial years and compared to the cumulative total return of the S&P/TSX Composite Index assuming dividends are reinvested.



The Company’s performance reflects its evolution from a capital pool company to a rapidly growing global leader in biogas upgrading systems operating in the fast-emerging renewable natural gas industry. While the cumulative total shareholder return has grown over the period reflected in this performance graph, compensation of the Company’s executive officers has increased at a more measured and modest rate, reflecting considerations described below in this section. Prior to completing its qualifying transaction as a capital pool company on June 3, 2019, no compensation was paid to executive officers. The elements of executive compensation that reward corporate performance are the STIP and the LTIP. For the year 2019, after it completed its qualifying transaction and became Greenlane Renewables Inc., there was no STIP in view of the need, at the time, to conserve cash and build revenue. In 2020, base salaries were held constant at their 2019 levels and an STIP was introduced in 2020 as the Company commenced a path of revenue generation and growth. The LTIP has also gradually increased during this period, bringing stronger alignment with shareholder returns such that the executive officers’ financial reward will also vary in general alignment with the total shareholder returns of the Company. In 2021, the STIP payout factor of 1.31

reflected an overachievement of growth-related objectives, while for 2022, the STIP payout factor of 0.566 reflected challenges of managing a quickly growing organization. The changes in executive compensation have thus been aligned with accomplishments focused on creating value in the Company that will support long term value for shareholders.

### *Share-Based and Option-Based Awards*

The Board believes that in order to attract and retain the right people at the experience level the Company needs, and to motivate them to deliver the significant shareholder return, the Company needs to provide attractive, performance-based compensation packages that include equity participation in the Company. Equity-based compensation in the form of options to purchase Common Shares (“**Options**”) and restricted share units (“**RSUs**”) are important tools that support the Company’s ability to attract, motivate and retain high-performing executives, while aligning management with the long term interests of the Company and Shareholders. Typically, on an annual basis, the Human Resources and Compensation Committee engages an independent executive compensation consultant to assess peer group compensation in order to determine the right level of compensation, including share-based and option-based awards (see “*External Advice*” and “*Executive Compensation Policy*” below).

When recruiting a new executive officer, the Company offers an equity-based grant to attract talented candidates and motivate the executive once hired. The Company then annually grants awards of Options and/or RSUs as part of its LTIP. These awards typically vest over a three-year period to support the longer term focus on the Company’s performance. The amount of an award granted to an individual executive officer takes into consideration the analysis received from its independent executive compensation consultant, competitive conditions, the particular role of the executive officer, previous grant levels and the compensation program parameters established by the Human Resources and Compensation Committee.

### *Compensation Governance*

The Board is responsible for overseeing compensation matters and delegates certain tasks to the Human Resources and Compensation Committee. The Human Resources and Compensation Committee annually evaluates the compensation structure for the Company’s executive officers to establish the underlying rationale and parameters for establishing all components of, and values for, executive compensation. Non-executive directors of the Board determine compensation for the CEO, considering the recommendations of the Human Resources and Compensation Committee. The grant of any equity-based compensation is subject to Board approval. The CEO is authorized by the Board to set the compensation of non-CEO executive officers within the parameters established by the Human Resources and Compensation Committee.

The Human Resources and Compensation Committee also reviews and makes recommendations to the Board with respect to the adoption, amendment and termination of the Company’s security-based compensation arrangements, oversees their administration and discharges any duties imposed on the Human Resources and Compensation Committee by any of those arrangements. The Human Resources and Compensation Committee is composed entirely of independent directors being Ms. Fortier (Chair), Ms. Alderson and Mr. Demers.

### *External Advice*

The Human Resources and Compensation Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay compensation for any advisors. The Human Resources and Compensation Committee engaged Hugessen Consulting Inc. (“**Hugessen**”), an independent executive compensation consultant, in 2021 and 2020 to assist with the review of its director and officer compensation program. Such engagements inform the review of the compensation program prospectively (i.e., for the upcoming year following the engagement). The Human Resources and Compensation Committee did not engage an independent executive compensation consultant in 2022. Hugessen’s aggregate fees billed for the two most recently complete financial years for the services described above were as follows:

Executive Compensation-Related Fees		
Activity	2022	2021
Executive and Director Compensation-Related Fees	Nil	\$27,606 <sup>(1)</sup>
All Other Fees	Nil	-
<b>Total</b>	<b>Nil</b>	<b>\$27,606</b>

Note:

(1) Excludes GST of \$1,381.

## Executive Compensation

For the purpose of National Instrument 52-102 – *Continuous Disclosure Obligations*, the Company’s “Named Executive Officers” (each a “**NEO**”) for whom compensation information is required to be disclosed are the following individuals: (1) the Chief Executive Officer (the “**CEO**”), (b) the Chief Financial Officer (the “**CFO**”); (c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6, for that financial year; and (d) each individual who would be an NEO under (c) above but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year. Based on the above criteria, for the financial year ended December 31, 2022, the NEOs of the Company were Brad Douville, Chief Executive Officer; Monty Balderston, Chief Financial Officer since July 18, 2022; Lynda Freeman, Chief Financial Officer until July 18, 2022 (and thereafter, Senior Director, Special Projects); H. Maura Lendon, Chief Legal Officer; Sanford Selman, Senior Vice President, Project Finance and Sandra Keyton, Chief Human Resources Officer.

### *Executive Compensation Policy*

The Board believes that successful execution of the Company’s ambitious strategic plan requires a critical mass of highly talented and creative leadership. The Company has a complex business model, global customers and supply chains and technically challenging projects requiring significant product customization with most projects. The market for their skills is extremely competitive. In order to attract and retain these executives, the Company needs to motivate them to deliver the significant shareholder returns the Board believes are possible. To do so, the Company needs to deliver targeted compensation packages that recognize the importance of cash preservation for investment in growth, while offering a share in the Company’s future growth and success through performance-based compensation.

The Board believes that given the stage of the Company’s growth it is important to prudently manage the Company’s committed payroll costs. These fixed salary commitments can be enhanced with meaningful at-risk compensation including both STIP bonus opportunities and LTIP equity grants. By design, the aim is for NEOs to focus on the compensation tied to Company performance and the potential for significant personal gains aligned with the Company’s success.

Annual STIP bonuses will be a significant incentive tied to achievement of annual corporate metrics and paid in cash, subject to sufficient cash being generated in the business to fund the plan.

LTIP in the form of Options and RSUs will typically provide the majority of incentive compensation over time and, and if the Company achieves its goals, will provide a material financial incentive to each NEO. In order to provide appropriate retention incentives, LTIP grants will be annual and will vest over several years. This element of compensation provides both a strong retention incentive and strong alignment with Shareholder interests.

The Company operates in a competitive global industry where talent will be visible to many stakeholders. The Company’s head office is in Burnaby, British Columbia, which is a high cost of living jurisdiction in Canada, and the

location of many well-funded technology companies that compete for the same talent locally. As such, the Company faces the significant risk of losing the Company's best people to others offering significantly more compensation without any disruption of lifestyle. Accordingly, the Board monitors turnover and engages in succession planning for executives through its Human Resources and Compensation Committee.

The Company's people resource strategy depends on delivering rewarding work and career growth, a productive and inspiring team culture and sufficient long-term rewards that strongly incentivize people to stay through a strategic cycle in order to participate in the resulting success. The Board believes this strategy will help the Company attract and retain the talented and motivated people who will execute a challenging business plan. The executive compensation policy is identified as a "starting point" but should not constrain the Company's ability to react opportunistically to changing circumstances.

In 2021, with the assistance of management, the Board, through the Human Resources and Compensation Committee, reviewed compensation data from the following companies for setting 2022 compensation: Advanced Emissions Solutions Inc., Capstone Green Energy, CECO Environmental Corp., EcoSynthetix Inc., 5N Plus Inc., H2O Innovation Inc., TerraVest Industries Inc., Velan Inc. and Xebec Adsorption Inc. The Company reviews its peer group periodically to ensure it remains appropriate as the Company evolves.

### ***Compensation Risk***

The Company's Securities Trading and Reporting Guidelines (the "**Guidelines**") contain prohibitions for any Company personnel to engage in short-term or speculative transactions involving the Company's Common Shares. The Guidelines say that Common Shares purchased in the open market should be acquired with the mindset of holding the shares for a minimum duration of not less than six months. NEOs are prohibited from trading securities on a short-term basis, engaging in short sales or sales of borrowed securities of the Company and buying or selling puts or calls on the Company's securities.

In addition, NEOs are to consult with the Chair of the Board or the Corporate Secretary for all trading activities. As well, all trading activities of NEOs are to be reported to the Corporate Secretary within 72 hours of the transaction taking place.

In order to mitigate the risk of misconduct or fraud by the executive officers of the Company, the Board has adopted a Clawback Policy that provides guidance for the Company to adjust or recoup incentive compensation paid to executive officers when such compensation was based on results, which are determined to have contained material misstatements, or the executive officer committed demonstrable misconduct resulting in harm to the Company.

### ***Components of Executive Compensation***

The compensation program for NEOs consists of (a) base salary; (b) STIP; (c) LTIP and (d) benefits.

Approximately 50% of the total compensation of Mr. Douville, Mr. Balderston, Ms. Lendon, Mr. Selman and Ms. Keyton was considered "at risk" and approximately 45% of the total compensation for Ms. Freeman was considered "at risk". The "at-risk" components of NEO compensation are the annual incentive STIP and the LTIP.

### ***Base Salary 2022***

Each year the base salary for each NEO is determined by a number of factors, including a review of the peer group data, internal equity and individual performance. In most cases, 2022 base salary levels were established between the 25<sup>th</sup> percentile and the median of the peer group data.

### **STIP - Annual Incentive Program 2022**

The Company's annual incentive, STIP, or "**Bonus**" program for 2022 and payment thereunder was approved by the Board in February 2022. It was based on the following formula:

$$2022 \text{ Bonus Payout} = \text{Base Salary} \times \text{Bonus Target} \times \text{Payout Factor}$$

The 2022 Payout Factor had a possible range of between 0 and 1.5, scaled between levels depending on which objectives were achieved in each of the set levels:

$$\text{Payout Factor} = (0.75 \times \text{Financial Objectives Payout Factor}) + (0.25 \times \text{Corporate Objectives Payout Factor})$$

The Financial Objectives Payout Factor in 2022 was based on the Company's annual revenue and gross margin. The Financial Objectives Payout Factor had a minimum revenue threshold of \$59 million below which the payout factor would be 'Nil'. The Company had a targeted gross margin of 26% ("**Targeted Gross Margin**"), with the Financial Objectives Payout Factor adjusted by the actual gross margin as a portion of the Targeted Gross Margin.

The Corporate Objectives Payout Factor in 2022 was based on enumerated corporate objectives focused on establishing conditions for future growth. These objectives encompassed product leadership, recurring revenue, project execution and talent and organizational development. For competitive reasons, the specific objectives are not disclosed.

In respect of the 2022 year, Mr. Douville had a 75% bonus target while Mr. Balderston, Ms. Lendon, Mr. Selman and Ms. Keyton each had a 50% bonus target and Ms. Freeman had a 50% bonus target until August 16, 2022, shortly after her resignation as Chief Financial Officer, and 25% for the subsequent period to the end of 2022, during which time Ms. Freeman was Senior Director, Special Projects.

The Payout Factor for 2022 was determined to be 0.566.

### **Long-Term Incentive Program**

The Company granted Options and RSUs to NEOs in 2022 based on an approximate grant value of 50% of the NEOs base salary. 50% of the grant value was by way of Options and 50% of the grant value was by way of RSUs, with the exception of Mr. Selman whose grant was made solely by way of Options. See "*Significant Terms of Share-Based and Option-Based Awards*" below for details of the equity-based compensation plans.

### **Benefits**

Each NEO, with the exception of Mr. Selman, participates in the Company's benefit program, which is available to all Canadian employees, and includes life insurance, short-term disability insurance, long-term disability insurance, travel insurance and extended health care insurance. Mr. Selman is based in the United States and receives an allowance of \$6,000 USD per annum towards healthcare.

### **Retirement Benefits**

The Company generally provides NEOs with the opportunity to contribute up to 5% of their base salary to an RRSP, which contribution is then matched by the Company. The RRSP is maintained for the NEO with Canada Life as part of the group benefit plan offered to all employees. NEOs may transfer their contributions out of the Canada Life RRSP program into a personal RRSP account held by the NEO and upon termination, the contributions by the Company are also eligible to be transferred into a personal RRSP account held by the NEO. Mr. Selman does not receive RRSP matching.

### Summary Compensation Table

The following table sets forth the total compensation earned by the NEOs for the Company's three most recently completed financial years ended December 31.

Name and Principal Position	Year Ended Dec. 31	Salary <sup>(1)</sup> (\$)	Share- Based Awards <sup>(2)</sup> (\$)	Option- Based Awards <sup>(3)</sup> (\$)	Non- Equity Annual Incentive Plan <sup>(4)</sup> (\$)	All Other Compensation <sup>(5)</sup> (\$)	Total Compensation (\$)
Brad Douville CEO and Director <sup>(6)</sup>	2022	375,000	93,750	93,750	159,188	24,238	745,926
	2021	325,000	81,250	81,250	212,875	21,873	722,248
	2020	275,000	53,535	44,612	71,500	18,982	463,629
Monty Balderston CFO <sup>(7)</sup>	2022	137,500	Nil	46,500	38,845	9,121	231,966
	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Lynda Freeman Senior Director, Special Projects <sup>(7)</sup> (Former CFO)	2022	226,500	75,000	75,000	58,365	16,620	451,485
	2021	260,000	65,000	65,000	170,300	18,623	578,923
	2020	230,000	44,820	37,350	59,800	16,732	388,702
H. Maura Lendon Chief Legal Officer <sup>(8)</sup>	2022	275,000	68,750	68,750	77,825	17,106	507,431
	2021	104,167	Nil	107,300	82,325	6,317	300,109
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Sanford Selman Senior Vice President, Project Finance <sup>(9)</sup>	2022	273,273	Nil	132,500	81,883	7,808	495,464
	2021	146,242	Nil	107,300	95,791	4,387	353,720
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Sandra Keyton Chief Human Resources Officer <sup>(10)</sup>	2022	253,788	60,000	60,000	77,825	18,177	469,790
	2021	218,703	56,250	56,250	103,163	16,558	450,924
	2020	176,548	34,860	29,050	32,760	14,049	287,267

Notes:

- Mr. Selman is remunerated in US dollars. His salary has been converted using the Canadian dollar/US dollar average exchange rate of 1.3013 for 2022 and 1.2535 for 2021. Base salary was US\$210,000 in 2022 (US\$200,000 in 2021, with base salary in the table above representing amounts paid since his appointment on June 1, 2021).
- The Company began granting RSUs to executive officers in 2020. The Company has calculated the grant date fair value of the RSUs granted to the NEOs using the closing price of the Common Shares on the day prior to the grant date.
- The Company has calculated the grant date fair value of the Options granted to the NEOs using the Black-Scholes model. This method was selected due to its acceptance as an appropriate valuation by similar sized companies. The value of Options granted in 2022, 2021 and 2020 were calculated based on the Black-Scholes assumptions used in the table below:

Year	Grant Date	Expected Life (years)	Volatility	Risk-Free Interest Rate	Black-Scholes Value
2022	August 12, 2022	3.5	89.06%	3.44%	\$0.47
2022	February 2, 2022	3.5	89.26%	1.10%	\$0.70
2021	August 17, 2021	3.5	94.29%	0.27%	\$1.07
2021	May 21, 2021	3.5	97.05%	0.21%	\$1.07
2020	May 26, 2020	3.5	108.5%	0.30%	\$0.35

- Represents the cash amount of the annual incentive earned in respect of the year ended December 31. Mr. Selman was paid in US dollars and amounts have been converted using the Canadian dollar/US dollar exchange rate on the date of payment, 1.378 for 2022 (paid on March 15, 2023), and 1.250 for 2021 (paid March 31, 2022).
- The other compensation received by NEOs include benefits such as health benefits and RRSP matching, both of which are generally available to all employees. RRSP matches the employee's contributions to their RRSP up to 5% of their salary. (See "Executive Compensation – Benefits" and "Executive Compensation – Retirement Benefits" above). The amounts paid to Mr. Selman are paid in US dollar and have been converted at the average Canadian dollar/US dollar exchange rate, consistent with his annual salary. See note (1) above.
- Prior to August 9, 2022, Mr. Douville also carried the title of President.
- On July 18, 2022 Mr. Balderston was appointed CFO of the Company after the resignation of Ms. Freeman. Ms. Freeman has remained with the Company in a part-time capacity as Senior Director, Special Projects.

- (8) Ms. Lendon joined the Company on August 3, 2021, as Senior Vice President, General Counsel. On August 9, 2022, Ms. Lendon's title was changed to Chief Legal Officer. Prior to joining the Company as an employee, Ms. Lendon was engaged in a consulting capacity. The remuneration in the table reflects earnings since joining the Company on August 3, 2021.
- (9) On June 1, 2021 Mr. Selman joined the Company, prior to this Mr. Selman was engaged in a consulting capacity. The remuneration in the table reflects earnings since joining the Company on June 1, 2021.
- (10) Ms. Keyton was employed by the Company from July 1, 2019 and was initially employed on an 80% of full-time basis. She became a full-time employee on January 1, 2021. Prior to August 9, 2022, Ms. Keyton was Vice President Human Resources.

### **Outstanding Option-Based Awards**

The following table sets out the Options granted to the NEOs that were outstanding as at December 31, 2022.

<b>Name</b>	<b>Number of Shares Underlying Unexercised Options</b>	<b>Option Exercise Price (\$)</b>	<b>Option Expiration Date</b>	<b>Value of Unexercised in the Money Options<sup>(1)(2)</sup> (\$)</b>
Brad Douville CEO and Director	100,000	0.20	June 3, 2024	29,000
	129,000	0.50	May 26, 2025	Nil
	75,864	1.68	May 21, 2026	Nil
	134,892	1.15	February 2, 2027	Nil
Monty Balderston CFO	100,000	0.77	August 12, 2027	Nil
Lynda Freeman Senior Director, Special Projects (Former CFO)	100,000	0.20	October 15, 2024	29,000
	108,000	0.50	May 26, 2025	Nil
	60,691	1.68	May 21, 2026	Nil
	107,914	1.15	February 2, 2027	Nil
H. Maura Lendon Chief Legal Officer	100,000	1.72	August 17, 2026	Nil
	98,921	1.15	February 2, 2027	Nil
Sanford Selman Senior Vice President, Project Finance	100,000	1.72	August 17, 2026	Nil
	190,647	1.15	February 2, 2027	Nil
Sandra Keyton Chief Human Resources Officer	80,000	0.20	June 3, 2024	23,200
	84,000	0.50	May 26, 2025	Nil
	52,521	1.68	May 21, 2026	Nil
	86,331	1.15	February 2, 2027	Nil

Notes:

- (1) Calculated based on the difference between the closing price of the Common Shares on December 31, 2022 of \$0.49 and the exercise price of the Options.
- (2) Represents the value of both vested and unvested options.

### **Outstanding Share-Based Awards**

The following table sets out the RSUs granted to the NEOs that were outstanding as at December 31, 2022.



Name	Number of RSUs Not Vested (#)	Market Value of RSUs Not Vested <sup>(1)</sup> (\$)	Number of RSUs Vested (#)	Market Value of Vested RSUs Not Yet Paid Out <sup>(1)</sup> (\$)
Brad Douville CEO and Director	156,764	76,814	102,121	50,039
Monty Balderston CFO	Nil	Nil	Nil	Nil
Lynda Freeman Senior Director, Special Projects (Former CFO)	127,011	62,235	48,896	23,959
Maura Lendon Chief Legal Officer	59,783	29,294	Nil	Nil
Sanford Selman Senior Vice President, Project Finance	Nil	Nil	Nil	Nil
Sandra Keyton Chief Human Resources Officer	102,496	50,223	67,160	32,908

Note:

(1) Calculated based on the number of RSUs held multiplied by the closing price of the Common Shares on December 31, 2022 of \$0.49.

### *Value Vested or Earned During the Year*

The following table sets out the value for the year ended December 31, 2022: (a) of the Option-based awards that vested; (b) of the RSUs that vested and (c) of the non-equity incentive plan compensation earned.

Name	Option Value Vested During the Year <sup>(1)</sup> (\$)	RSU Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation Value Earned During the Year <sup>(2)</sup> (\$)
Brad Douville CEO and Director	11,610	44,717	159,188
Monty Balderston CFO	Nil	Nil	38,845
Lynda Freeman Senior Director, Special Projects (Former CFO)	23,387	37,005	58,365
H. Maura Lendon Chief Legal Officer	Nil	Nil	77,825
Sanford Selman Senior Vice President, Project Finance	Nil	Nil	81,883
Sandra Keyton Chief Human Resources Officer	25,961	29,595	77,825

Notes:

(1) Represents the aggregate dollar value that would have been realized if Options and RSUs had been exercised when they vested in 2022, based on the closing price of the Common Shares on the vesting date.

(2) Represents the amount earned under the Company's bonus plan, in respect of the 2022 year, which was paid in March 2023.

### ***Pension Plan Benefits***

The Company does not have any pension plans that provide for payments or benefits to directors or NEOs at, following, or in connection with retirement, including a defined benefits plan or a defined contribution plan. The Company does not have a deferred compensation plan with respect to any NEO or director.

### ***Termination and Change of Control Benefits***

Termination and change of control benefits where termination occurs following a change of control could be realized by NEOs pursuant to their employment agreements and pursuant to any Options or RSUs they hold under the Incentive Plan, Legacy Option Plan and the Legacy RSU Plan described in detail below under “*Significant Terms of Share-Based and Option-Based Awards*”. Change of control benefits where there is no termination of employment may also be realized by NEOs in connection with Options or RSUs they hold under the Incentive Plan and the Legacy RSU Plan.

### **Employment Agreements**

Each of the NEOs has entered into an employment agreement with the Company or one its wholly-owned subsidiaries (the “**NEO Employment Agreements**”). The use of the term “Company” in this section refers to Greenlane Renewables Inc. or its subsidiary through which the NEO is employed. In 2021, the Company updated all executive agreements to a common form effective December 15, 2021, wholly replacing prior executive employment agreements.

The NEO Employment Agreements set out payments to be made to the NEO upon termination of employment. In any circumstance of employment termination, the NEO will not be paid less than the minimum amounts as the *Employment Standards Act* (British Columbia) requires to be paid (or provided) to the NEO in the circumstances. In all circumstances in which an NEO’s employment terminates, the NEO will be paid the payment of amounts of base salary, unused vacation and benefits applicable up to the date of termination (the “**Basic Amount**”). Where the termination is by the Company for just cause, no other payment is due to the NEO. Where the NEO resigns by giving the requisite ninety (90) days’ prior notice to the Company, the Company may elect to terminate the NEO’s employment before the expiry of the notice period and, in addition to the Basic Amount, must pay the NEO the amount of base salary the NEO would have earned during the remaining required notice period together with any earned but unpaid STIP bonus for the prior calendar year. If the NEO’s employment terminates due to the NEO’s total incapacity or death, in addition to the Basic Amount, the Company will pay to the NEO or the NEO’s estate the *pro-rata* STIP bonus applicable to the date of termination.

The NEO employment agreements include additional payments where the Company terminates the NEO’s employment without just cause, as well as “double trigger” change of control terms that specify further payments to the NEO when the NEO’s employment is terminated following a “Change of Control”, either by the Company or by the NEO for “Good Reason” that is not cured by the Company within thirty (30) days of receiving notice thereof from the NEO. There is no amount payable pursuant to the NEO employment agreements where there is a Change of Control and there is no termination of employment.

In the NEO Employment Agreements, “**Change of Control**” is any of: (a) any transaction at any time and by whatever means pursuant to which any person or any group of two or more persons acting jointly or in concert thereafter acquires the direct or indirect beneficial ownership of, or acquires the right to exercise control or direction over, securities of the Company representing 50% or more of its then issued and outstanding voting securities in any manner whatsoever; (b) the sale, assignment or other transfer of all or substantially all of the assets of the Company to a person or any group of two or more persons acting jointly or in concert; (c) the occurrence of a transaction requiring approval of the Company’s Shareholders whereby the Company is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any person or any group of two or more persons acting jointly or in concert; or the Board passes a resolution to the effect that an event comparable to an event set forth in this definition has occurred.

In the NEO Employment Agreements, “**Good Reason**” means: (a) without the express written consent of the NEO, the assignment to the NEO of any duties materially inconsistent with the NEO’s position, duties and responsibilities with the Company immediately prior to such assignment or any removal of the NEO from, or any failure to re-elect the NEO to, or material reduction in the NEO’s, material positions, duties and responsibilities with the Company; (b) a material reduction in total compensation, including annual base salary, incentive compensation, benefits (including pension, life insurance, health and accident benefits) and perquisites the NEO was receiving immediately prior to a Change of Control; or any reason which would be considered to amount to constructive dismissal by a court of competent jurisdiction.

Where there is no Change of Control and an NEO’s employment is terminated by the Company giving notice of termination without just cause, in addition to the Basic Amount, the NEO is entitled to receive a pro-rata STIP bonus calculated to the date of termination as well as a “**Termination Entitlement**” equal to a specified number of months of the NEO’s annual base salary up to a maximum of 24 months for the CEO and a maximum of 12 months for non-CEO NEOs. (The pro-rata STIP bonus and the Termination Entitlement amounts payable upon a termination without just cause are referred to collectively as the “**Without Cause Termination Amount**”.) The number of months applied to calculate the Termination Entitlement at a given time depends on the NEO’s years of service at the time of calculation and is set out below. The Company is not, however, obligated to pay any part of the Without Cause Termination Amount in excess of the minimum amount required to be paid pursuant to the *Employment Standards Act* (British Columbia) until the NEO executes and delivers to the Company a release of all claims, in a form acceptable to the Company. Further, each NEO has also entered into a restrictive covenant agreement in which they covenant that for any period for which they are receiving a Termination Entitlement they will not be employed by or associated with any business that competes with the Company.

Where there is a termination of an NEO’s employment following a Change of Control, whether it is a termination by the Company or a termination by the NEO for Good Reason that has not been cured, in addition to the Without Cause Termination Amount, the NEO is entitled to receive a lump sum payment equal to 12 months’ “**Annual Compensation**” where Annual Compensation is the sum of: (a) the greater of the NEO’s annual base salary determined (i) as at the end of the month immediately preceding the month in which a Change of Control occurs, and (ii) as at the end of the month immediately preceding the month in which the date of termination occurs; and (b) an amount equal to the greater of: (i) the average of the STIP paid to the NEO for the previous two years; and (ii) 80% of the NEO’s target annual STIP for the current fiscal year of the Company if the NEO has been employed for less than two years.

*Brad Douville*

Mr. Douville is the Chief Executive Officer of the Company. His Termination Entitlement is calculated based on 12 months’ annual base salary plus one additional month for each full year of service, up to a maximum of 24 months. As Mr. Douville had completed 5 full years of service as at December 31, 2022, his Termination Entitlement is based on 17 months’ annual base salary.

*Monty Balderston*

Mr. Balderston is the Chief Financial Officer of the Company. His Termination Entitlement is calculated based on 6 months’ annual base salary plus one additional month for each full year of service, up to a maximum of 12 months. As Mr. Balderston joined the Company in July 2022, he had not completed a full year of service as at December 31, 2022, his Termination Entitlement is therefore based on 6 months’ annual base salary.

*Lynda Freeman*

Ms. Freeman was the Chief Financial Officer of the Company until July 18, 2022, following which she undertook a new part-time role with the Company as Senior Director, Special Projects. As Ms. Freeman’s executive role was terminated by her resignation, she received no Termination Entitlement amounts pursuant to her NEO Employment Agreement. On this change in role, Ms. Freeman’s NEO Employment Agreement terminated and the terms of her

part-time employment provided only for payments upon termination in accordance with applicable employment standards legislation.

*H. Maura Lendon*

Ms. Lendon is the Chief Legal Officer of the Company. Her Termination Entitlement is calculated based on 6 months' annual base salary plus one additional month for each full year of service, up to a maximum of 12 months. As Ms. Lendon had completed 1 full year of service as at December 31, 2022, her Termination Entitlement is based on 7 months' annual base salary.

*Sanford Selman*

Mr. Selman is the Senior Vice President, Project Finance of the Company. His Termination Entitlement is calculated based on 3 months' annual base salary plus one additional month for each full year of service, up to a maximum of 12 months. As Mr. Selman had completed 1 full year of service as at December 31, 2022, his Termination Entitlement is based on 4 months' annual base salary.

*Sandra Keyton*

Ms. Keyton is the Chief Human Resources Officer of the Company. Her Termination Entitlement is calculated based on 6 months' annual base salary plus one additional month for each full year of service, up to a maximum of 12 months. As Ms. Keyton had completed 3 full years of service as at December 31, 2022, her Termination Entitlement is based on 9 months' annual base salary.

The following table sets out the total amounts that would have been payable to each NEO as at December 31, 2022, upon a termination of employment without just cause by the Company where there is no Change of Control, and upon a termination without just cause by the Company or for Good Reason following a Change of Control.

Name	Employment Agreement Payments for Termination as at December 31, 2022	
	Termination of Employment by Company without just cause where there is no Change of Control (\$)	Termination of Employment by Company without just cause or by NEO for Good Reason following a Change of Control (\$) <sup>(1)</sup>
Brad Douville CEO and Director	690,438	1,207,626
Monty Balderston CFO	188,845	608,845
Lynda Freeman Senior Director, Special Projects (Former CFO)	N/A	N/A
H. Maura Lendon Chief Legal Officer	238,242	623,242
Sanford Selman Senior Vice President, Project Finance	172,974	555,556
Sandra Keyton Chief Human Resources Officer	284,075	627,037

Note:

- (1) As Mr. Balderston, Ms. Lendon and Mr. Selman have been employed by the Company less than two years the STIP portion of the Annual Compensation amount is calculated as 80% of the NEO's target annual STIP for the current fiscal year rather than the average of the 2020 and 2021 STIPs paid.

### Options and RSUs Granted under the Incentive Plan, Legacy Option Plan and the Legacy RSU Plan

The Incentive Plan, the Legacy Option Plan and the Legacy RSU Plan contain provisions which impact the vesting, ability to exercise and other terms of the Options and RSUs granted thereunder upon (i) a change in control of, or other similar transaction involving, the Company, (ii) the termination of the employment of the NEO (whether by the NEO or by the Company and whether with or without cause), (iii) the retirement of the NEO, (iv) the occurrence of a long-term disability of the NEO, and/or (v) the death of the NEO. Such impact, depending on the circumstance, could involve a number of things, including one or more of, accelerating the exercise of the rights under the Option or RSU, the termination of the Option or RSU (vested and/or unvested) or the shortening of the expiry period of the Option or RSU. For the details pertaining to such provisions see “*Statement of Executive Compensation – Significant Terms of Share-Based and Option-Based Awards*”.

The following table shows the value of each NEO’s equity-based compensation for each event for which an equity-based compensation plan automatically accelerates the vesting of Options or RSUs, assuming such event occurred at December 31, 2022.

Name	Accelerated Vesting under Equity Plans as at December 31, 2022								
	Upon Death of Participant			Termination of Employment without Just Cause and with Change of Control			Change of Control without Termination of Employment		
	Legacy Option Plan <sup>(1)</sup> (\$)	Legacy RSU Plan <sup>(2)</sup> (\$)	Incentive Plan <sup>(1)(2)</sup> (\$)	Legacy Option Plan <sup>(1)</sup> (\$)	Legacy RSU Plan <sup>(2)</sup> (\$)	Incentive Plan <sup>(1)(2)</sup> (\$)	Legacy Option Plan <sup>(1)</sup> (\$)	Legacy RSU Plan <sup>(3)</sup> (\$)	Incentive Plan <sup>(1)(2)</sup> (\$)
Brad Douville CEO and Director	Nil	21,070	55,744	Nil	21,070	55,744	Nil	N/A	55,744
Monty Balderston CFO	Nil	Nil	Nil	Nil	Nil	Nil	Nil	N/A	Nil
Lynda Freeman Senior Director, Special Projects (Former CFO)	Nil	17,640	44,595	Nil	17,640	44,595	Nil	N/A	44,595
H. Maura Lendon Chief Legal Officer	Nil	Nil	29,294	Nil	Nil	29,294	Nil	N/A	29,294
Sanford Selman Senior Vice President, Project Finance	Nil	Nil	Nil	Nil	Nil	Nil	Nil	N/A	Nil
Sandra Keyton Chief Human Resources Officer	Nil	13,720	36,503	Nil	13,720	36,503	Nil	N/A	36,503

Notes:

- (1) The value of an NEO’s Options that are accelerated is calculated by multiplying the number of otherwise unvested Options as at December 31, 2022 by the December 31, 2022 closing price of the Common Shares of \$0.49 less the exercise price of the Options.
- (2) The value of an NEO’s RSUs that are accelerated is calculated by multiplying the number of otherwise unvested RSUs as at December 31, 2022 by the December 31, 2022 closing price of the Common Shares of \$0.49.
- (3) Under the Legacy RSU Plan, it is in the discretion of the Board whether or not to accelerate the vesting of the Legacy RSUs where there is a change of control without any termination of employment. ‘N/A’ is shown in this column as acceleration is not automatic. In the event that the Board elected to accelerate vesting, the value of the payment to each NEO would be as shown in the other columns in this table related to the Legacy RSU Plan where there is automatic vesting.

### Director Compensation

In the year ended December 31, 2022, non-executive directors received compensation by way of cash and RSUs as follows: non-executive directors received \$75,000 as an annual Board retainer, paid quarterly, half in cash and half

in RSUs; the Board Chair received an additional \$75,000, the Chair of the Audit Committee and the HR and Compensation Committee each received an additional \$15,000, and the Chair of the Corporate Governance and Nominating Committee received an additional \$10,000, such additional amounts also paid quarterly, half in cash and half in RSUs; and the Chair of Corporate Development Committee received an additional \$40,000, the members of the Corporate Development Committee (other than its Chair) received an additional retainer of \$30,000, and the Lead Independent Director received an additional retainer of \$10,000, all such additional amounts paid quarterly, all in cash. As the Board Chair became independent, there has been no Lead Independent Director since January 1, 2023.

### Summary Compensation Table

The following table set out the value of all compensation provided to non-executive directors of the Company in the year ended December 31, 2022.

Name	Fees earned (\$)	Share Based Awards – RSUs <sup>(1)</sup> (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Candice Alderson	42,500	42,500	Nil	Nil	Nil	Nil	85,000
David Blaiklock	45,000	45,000	Nil	Nil	Nil	Nil	90,000
David Demers	77,500	37,500	Nil	Nil	Nil	Nil	115,000
Patricia Fortier	45,000	45,000	Nil	Nil	Nil	Nil	90,000
Wade Nesmith	105,000	75,000	Nil	Nil	Nil	Nil	180,000
Elaine Wong	77,500	37,500	Nil	Nil	Nil	Nil	115,000

Note:

(1) Represents the fair value of the RSUs on their grant date. The Company has calculated the grant date fair value of the RSUs granted to the non-executive directors using the closing price of the Common Shares on the day prior to the applicable grant date of the RSUs.

### Outstanding Option-Based Awards

The following table sets out the Options granted to the non-executive directors that were outstanding as at December 31, 2022.

Name	Number of Shares Underlying Unexercised Options	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in the Money Options <sup>(1)</sup> (\$)
Candice Alderson	Nil	N/A	N/A	N/A
David Blaiklock	225,000	0.10	October 31, 2028	87,750
	400,000	0.20	June 3, 2024	116,000
David Demers	225,000	0.10	October 31, 2028	87,750
	400,000	0.20	June 3, 2024	116,000
Patricia Fortier	300,000	0.20	June 3, 2024	87,000
Wade Nesmith	225,000	0.10	October 31, 2028	87,750
	500,000	0.20	June 3, 2024	145,000
Elaine Wong	Nil	N/A	N/A	N/A

Note:

(1) Calculated based on the difference between the closing price of the Common Shares on December 31, 2022 of \$0.49 and the exercise price of the Option.

### Outstanding Share-Based Awards

The following table sets out the RSUs granted to the non-executive directors that were outstanding as at December 31, 2022. RSUs granted to directors vest one year from their grant date.

Name	Number of RSUs Not Vested (#)	Market Value of RSUs not Vested <sup>(1)</sup> (\$)	Number of RSUs Vested (#)	Market Value of Vested RSUs Not Yet Paid Out <sup>(1)</sup> (\$)
Candice Alderson	36,957	18,109	40,272	19,733
David Blaiklock	39,130	19,174	69,481	34,046
David Demers	32,609	15,978	68,399	33,516
Patricia Fortier	39,130	19,174	69,481	34,046
Wade Nesmith	65,217	31,956	132,468	64,909
Elaine Wong	32,609	15,978	41,234	20,205

Note:

(1) Calculated based on the number of RSUs held multiplied by the closing price of the Common Shares on December 31, 2022 of \$0.49.

### Value Vested or Earned During the Year

The following table sets out the value for the year ended December 31, 2022: (a) of Options that vested; (b) of RSUs that vested and (c) of non-equity incentive plan compensation earned.

Name	Option Value Vested During the Year (\$)	RSU Value Vested During the Year (\$) <sup>(1)</sup>	Non-Equity Incentive Plan Compensation Value Earned During the Year (\$)
Candice Alderson	Nil	21,104	Nil
David Blaiklock	Nil	25,325	Nil
David Demers	Nil	23,919	Nil
Patricia Fortier	Nil	25,325	Nil
Wade Nesmith	Nil	42,208	Nil
Elaine Wong	Nil	21,104	Nil

Note:

(1) Represents the aggregate dollar value that would have been realized if RSUs had been exercised when they vested in 2022, based on the closing price of the Common Shares on the vesting date.

### Significant Terms of Share-Based and Option-Based Awards

The Company currently has three securities-based compensation arrangements:

1. an Omnibus Incentive Plan dated June 23, 2021 (the “**Incentive Plan**”), which was approved by the disinterested Shareholders of the Company at its annual general meeting held on June 23, 2021 under which the Company is able to award both Options and RSUs and which complies with the policies, rules and regulations of the TSX;
2. a Share Option Plan dated June 28, 2018 as amended on June 3, 2019, November 26, 2019 and July 20, 2020 (the “**Legacy Option Plan**”), which was initially adopted by the Company in advance of the completion

of its initial public offering on October 29, 2018 and of the commencement of trading of its Common Shares on the TSX Venture Exchange on October 31, 2018 as a Capital Pool Company; and

3. a Restricted Share Unit Plan dated May 26, 2020 as amended on July 20, 2020 (the “**Legacy RSU Plan**”).

The Company’s Common Shares commenced trading on the TSX on February 17, 2021 and were concurrently delisted from the TSX Venture Exchange. Subsequently, the disinterested Shareholders of the Company approved the Incentive Plan under which the Company is able to award both Options and RSUs and which complies with the policies, rules and regulations of the TSX. With the approval of the Incentive Plan on June 23, 2021, no further Options or RSUs will be granted under the Legacy Option Plan and the Legacy RSU Plan, respectively.

The Incentive Plan applies to all Options and RSUs granted by the Company on and after February 17, 2021. All Options granted under the Legacy Option Plan prior to February 17, 2021 will continue to be governed by the Legacy Option Plan and all RSUs granted under the Legacy RSU Plan prior to February 17, 2021 will continue to be governed by the Legacy RSU Plan. Options and RSUs granted after February 17, 2021 and before the Incentive Plan was approved by the disinterested Shareholders on June 23, 2021 were granted under the Legacy Option Plan or Legacy RSU Plan but are, as of June 23, 2021, subject to and are governed by the Incentive Plan.

See the discussion under “*Securities Authorized for Issuance Under Equity Compensation Plans*” for information on Options and RSUs granted and outstanding under the Legacy Option Plan, the Legacy RSU Plan and the Incentive Plan.

Copies of the Incentive Plan, the Legacy Option Plan and the Legacy RSU Plan are available upon request from the Company at Suite 110, 3605 Gilmore Way, Burnaby, British Columbia, Canada V5G 4X5, telephone number +1-604-259-0343. The Legacy Option Plan and the Legacy RSU Plan are also attached as Schedule “A” and Schedule “B”, respectively, to the Company’s management information circular dated July 23, 2020, which can be found at the Company’s SEDAR profile page on [www.sedar.com](http://www.sedar.com). The Incentive Plan is attached as Schedule “B” to the Company’s management information circular dated May 19, 2021, which can also be found at the Company’s SEDAR profile page on [www.sedar.com](http://www.sedar.com).

### ***Incentive Plan***

#### **Nature and Administration of the Incentive Plan**

All Directors, Employees and Consultants (as defined in the Incentive Plan) are eligible to participate in the Incentive Plan with non-employee Directors, Employees and Consultants being eligible to receive RSUs and Employees and Consultants being eligible to receive Options. Directors who are not also Employees are not eligible to receive Options under the Incentive Plan. The Board has the right to restrict eligibility or otherwise limit the number of persons eligible for participation in the Incentive Plan. Eligibility to participate in the Incentive Plan does not confer upon any person a right to receive an Incentive Award thereunder.

The Incentive Plan is administered by the Board, which has the authority in its sole and absolute discretion to administer the Incentive Plan (or to delegate to a committee of the Board the administration of the Incentive Plan) and to exercise (or delegate to such committee the power to exercise) all the powers and authorities specifically granted to it under the Incentive Plan or necessary or advisable in the administration of the Incentive Plan, all acting reasonably and in good faith and subject to and not inconsistent with the express provisions of the Incentive Plan. Any reference in the description in this “*Incentive Plan*” section to the “Board” includes, where applicable and appropriate, any committee to which any such delegation has been made. To the extent permitted by applicable law, the Board may, from time to time, delegate to any specified officer(s) or manager(s) of the Company, or committees thereof, all or any of the powers of the Board under the Incentive Plan. Notwithstanding any provision in the Incentive Plan, oversight and ultimate responsibility for the Incentive Plan resides with the Board. At any time and from time to time, the Board may, in its discretion, take any action or make any decision that is otherwise delegated to a committee of the Board or any other person.



The Company (i) may enter into an agreement or agreements with a person or corporation to perform the duties of a Plan Administrator (as defined in the Incentive Plan) as set out in the Incentive Plan, and (ii) shall have the right at any time to remove that Plan Administrator and to appoint another Plan Administrator in its stead.

Any Incentive Award held by an eligible person under the Incentive Plan (referred to as “**Participants**” in this “*Incentive Plan*” section) are personal to that Participant and are non-assignable, otherwise than by testate succession or the laws of descent and distribution.

Other than for the ability of a Participant to undertake a “cashless” exercise of an Option granted under the Incentive Plan, the Company will not provide any financial assistance to a Participant in regard to the exercise of an Incentive Award.

Rights and obligations under the Incentive Plan may be assigned by the Company (without the consent of any Participant) to a successor in the business of the Company, any corporation resulting from any amalgamation, reorganization, combination, merger or arrangement of the Company, or any corporation acquiring all or substantially all of the assets or business of the Company.

#### Common Shares Subject to the Incentive Plan

Under the Incentive Plan, the aggregate number of Common Shares issuable under the Incentive Plan at any time, subject to adjustment of such number pursuant to the adjustment provisions in the Incentive Plan, shall not exceed 10% of the number of issued and outstanding Common Shares (on a non-diluted basis) at that time, less the aggregate number of Common Shares issuable under Options outstanding under the Legacy Option Plan, under RSUs outstanding under the Legacy RSU Plan and under any other Security Based Compensation Arrangements (as defined in the Incentive Plan) of the Company at that time. As at May 3, 2023, there were 153,013,239 Common Shares issued and outstanding.

#### Grants and Exercise of Options under the Incentive Plan

Subject to certain restrictions, the Board can, from time to time and in its discretion, grant Options to Employees and Consultants under the Incentive Plan and determine the number of Common Shares subject to such Option, the exercise price and expiry date thereof, the extent to which such Option vests and other terms and conditions relating to such Option.

The expiry date of an Option granted under the Incentive Plan shall be no later than 10 years from the date of grant thereof, provided that, if that expiry date occurs during a securities trading blackout period imposed by the Company and applicable to the Participant, or within 10 business days after the expiry of that blackout period, then the expiry date for that Option shall be the date that is the tenth business day after the expiry of that blackout period. The blackout expiry date for such an Option may not be amended by the Board without the approval of the Shareholders of the Company in accordance with the amendment provisions of the Incentive Plan. No Option may be exercised during such a blackout period.

Subject to certain provisions relating to suspension from trading or lack of trading on the TSX, the exercise price for Common Shares issuable under any Option granted under the Incentive Plan shall not be lower than the closing trading price of the Common Shares on the TSX on the last trading day immediately preceding the grant date of that Option.

A holder of vested Options granted under the Incentive Plan may acquire Common Shares issuable thereunder by delivering a written notice of exercise specifying the number of Common Shares being exercised and accompanied by payment in full of (a) the exercise price thereof, and (b) an amount for any applicable tax withholding or remittance obligations (or by entering into some other arrangement acceptable to the Company).

Subject to the provisions of the Incentive Plan and, upon prior approval of the Company, once an Option has vested and become exercisable, a Participant may elect to exercise such Option by either: (a) a “net exercise” procedure in

which the Company issues to the Participant Common Shares equal to the number determined by dividing (i) the difference between the Fair Market Value (calculated as at the date of exercise) and the Option Exercise Price of such Option by (ii) the Fair Market Value (calculated as at the date of exercise); or (b) a broker assisted “cashless exercise” in which Plan Administrator or, if no Plan Administrator is appointed pursuant to the Plan, the Company delivers a copy of irrevocable instructions to a broker engaged for such purposes by the Company to sell the Common Shares otherwise deliverable upon the exercise of the Options and to deliver promptly to the Company an amount equal to the Option Exercise Price and all applicable required withholding obligations as determined by the Company against delivery of the Common Shares to settle the applicable trade. Such Participant shall comply with any applicable required withholding obligations and with all such other procedures and policies as the Company may prescribe or determine to be necessary or advisable from time to time including prior written consent of the Board in connection with such exercise.

#### Awards and Settlement of RSUs under the Incentive Plan

An award of RSUs under the Incentive Plan is in the nature of a bonus for services rendered that, upon settlement, entitles the Participant, as determined by the Board, to acquire Common Shares or, in certain circumstances, to receive a cash payout or a combination thereof subject to such restrictions and conditions as the Board may determine. Vesting conditions may, without limitation, be based on continuing employment (or other service relationship) and/or achievement of Performance Criteria (as defined in the Incentive Plan).

The Board can, from time to time and in its sole discretion (i) award RSUs to Directors, Employees and Consultants, (ii) determine the relevant vesting provisions (including other Performance Criteria) that will be applicable to those RSUs and the applicable period (the “**Performance Period**”) during which those vesting provisions and Performance Criteria are to be measured, (iii) determine the applicable Restriction Period (as defined in the Incentive Plan) of such RSUs, provided that such Restriction Period shall, other than with respect to Long Term RSUs (as defined below), not be later than December 31 of the calendar year which is three years after the calendar year in which such RSUs are granted, and (iv) determine any other applicable terms and conditions.

Subject to the conditions and provisions in the Incentive Plan, each RSU shall entitle Canadian Participants to receive one Common Share or, at the discretion of the Board, the cash equivalent thereof (as discussed below), or a combination thereof upon confirmation by the Board that the vesting conditions and Performance Criteria for such RSU have been met. Participants outside of Canada will receive the cash equivalent of each RSU. RSUs that are subject to Performance Criteria may become vested RSUs based on a multiplier, which may be greater or lesser than 100%, subject to such percentage being no greater than 200%.

Notwithstanding any other term in the Incentive Plan, any RSU subject to vesting criteria that have a Performance Period that exceeds the maximum three-year period length of the Restriction Period referred to above (a “**Long Term RSU**”) shall only be settled through the issuance of a Common Share. The Board shall determine, at the time of granting the Long Term RSU, the period during which the Long Term RSU can, subject to satisfying the vesting criteria, be settled, which period shall not be more than ten (10) years from the date the Long Term RSU is granted (the “**Long Term RSU Period**”). Only Canadian Participants may receive Long Term RSUs.

On a date that falls after the end of the Performance Period, if any, for an RSU, but no later than (i) for RSUs other than Long Term RSUs, December 15 of the calendar year which is three years after the calendar year in which the RSU is granted, and (ii) for Long Term RSUs, 15 days prior to the expiry of the Long Term RSU Period, the Board will determine if the Performance Criteria and/or other vesting conditions with respect to that RSU have been met, (the “**RSU Vesting Determination Date**”). All unvested RSUs in an Incentive Award to a Participant shall be cancelled on the RSU Vesting Determination Date thereof and, in any event (i) an unvested RSU other than Long Term RSU shall be cancelled no later than the last day of the Restriction Period thereof, and (ii) an unvested Long Term RSU shall be cancelled no later than the last day of that Long Term RSU Period.

Except as otherwise provided in the RSU grant notice, all vested RSUs shall be settled as soon as practicable and in any event within ten (10) Business Days following their RSU Vesting Determination Date and, other than for Long Term RSUs, no later than the end of the Restriction Period for those RSUs (the “**RSU Settlement Date**”).

Other than for Long Term RSUs which can only be settled with Common Shares, the settlement shall take the form determined by the Board, in its sole discretion at that time, which may be (i) the payment of the cash equivalent of the RSUs, (ii) the delivery of Common Shares issuable under the RSUs, or (iii) the payment and issuance of a combination of cash equivalent and Common Shares, in each case subject to applicable tax withholding or remittance obligations.

For purposes of determining the cash equivalent of vested RSUs, such calculation will be the closing trading price of the Common Shares on the TSX on the last trading day immediately preceding the RSU Settlement Date multiplied by the whole number of vested RSUs of the Participant being settled in cash at that time. With respect to vested RSUs being settled with Common Shares, one Common Share will be issued for each such vested RSU.

Dividend equivalents may, as determined by the Board in its sole discretion, be awarded in respect of unvested RSUs (other than Long Term RSUs) in a Participant’s account on the same basis as cash dividends declared and paid on Common Shares as if the Participant was a Shareholder of record of Common Shares on the relevant record date. Dividend Equivalents, if any, will be credited to the Participant’s account as additional RSUs, the number of which shall be equal to a fraction where the numerator is the product of (i) the number of RSUs in such Participant’s account on the date that dividends are paid multiplied by (ii) the dividend paid per Common Share, and where the denominator is the Fair Market Value of one Common Share calculated on the date that dividends are paid. In the event that the Participant’s applicable RSUs do not vest, all dividend equivalents, if any, associated with such RSUs will be forfeited by the Participant and returned to the Company.

If the RSU Vesting Determination Date and/or RSU Settlement Date for an RSU occurs during a blackout period, then unless determined by the Company in its discretion but subject to applicable law affecting the blackout period, the RSU Vesting Determination Date and RSU Settlement Date for that RSU shall be the date that is the 10<sup>th</sup> business day after the expiry date of the blackout period and no right of a Participant to receive Common Shares under an RSU shall be exercised during a blackout period. The Company may, in its discretion, at any time, accelerate the RSU Vesting Determination Date and/or RSU Settlement Date to facilitate vesting and settlement of RSUs within the Restriction Period applicable to RSUs other than Long Term RSUs subject to applicable law.

#### Holders of Options Ceasing to Hold Their Position with the Company

Subject to any resolution or other determination by the Board, if, prior to the expiry of an Option, a Participant’s employment is terminated by the Participant or by the Company or a related entity for any reason whatsoever (including termination with or without cause), other than retirement, long-term disability or death, or a Participant’s consulting arrangement is terminated by the Participant or by the Company or a related entity for any reason whatsoever, unless the Participant continues to be a Participant in another capacity, then any unvested Option held by the Participant as of the Participant’s Termination Date (as defined in the Incentive Plan) shall be immediately forfeited and cancelled as of the Termination Date and any Option held by the Participant that has vested prior to the Termination Date may be exercised at any time within 90 days of the Termination Date, but in any case prior to the Option’s expiry date.

Subject to any resolution or other determination by the Board, if, prior to the expiry of an Option, a Participant’s employment is terminated by reason of retirement or as a result of long-term disability, all Options held by such Participant which have vested in accordance with their terms may be exercised at any time within six months following the Termination Date or prior to the Option’s expiry date, whichever is earlier. Options held by a Participant whose employment has been terminated by reason of retirement or as a result of long-term disability shall continue to vest in accordance with their terms until the earlier of the date which is six months following the Termination Date and the Option’s expiry date.

Subject to any resolution or other determination by the Board, if, prior to the expiry of an Option, a Participant dies, all Options held by such Participant shall become fully vested and may be exercised by the legal personal representative(s) of the estate of the Participant at any time within 12 months following the date of death of the Participant or prior to the Option's expiry date, whichever is earlier.

#### Holders of RSUs Ceasing to Hold Their Position with the Company

Subject to any resolution or other determination by the Board, if a Participant's employment is terminated by the Participant or by the Company or a related entity for any reason whatsoever (including termination with or without cause), other than retirement, long-term disability or death, or a Participant's consulting arrangement is terminated by the Participant or by the Company or a related entity for any reason whatsoever, unless the Participant continues to be a Participant in another capacity, all unvested RSUs held by the Participant shall be immediately forfeited and cancelled upon the Termination Date, and, with respect to RSUs held by the Participant that have vested prior to that Termination Date and that have not been fully settled in accordance with the Incentive Plan, the settlement for such RSUs that the Participant is entitled to under the terms thereof shall be paid or provided by the Company to the Participant within the time provided for under the terms thereof.

Subject to any resolution or other determination by the Board, if a Participant's employment with the Company or a related entity is terminated by reason of retirement or as result of long-term disability (i) with respect to RSUs held by the Participant that have vested prior to the Termination Date and that have not been fully settled in accordance with the Plan, the settlement for such RSUs that the Participant is entitled to under the terms thereof shall be paid or provided by the Company to the Participant within the time provided for under the terms thereof, and (ii) all RSUs held by the Participant that have not vested prior to the Termination Date shall continue to vest and be dealt with in accordance with their terms until the earlier of the date which is six months following the Termination Date and the outside expiry date of such RSUs. Any RSUs that have not vested on or before that earlier date shall immediately thereafter be forfeited and cancelled.

Subject to any resolution or other determination by the Board, upon the death of a Participant that is an Employee or a Director who is not also an Employee, all unvested RSUs held by the Participant shall become fully vested and the settlement for all RSUs held by the Participant at the time of its death that such Participant is entitled to under the terms thereof shall be paid or provided by the Company to the estate of the Participant within the time provided for under the terms thereof.

Subject to any resolution or other determination by the Board, if a Director who is not also an Employee ceases to be a Director of the Company or a related entity for any reason other than death, all unvested RSUs held by the Director shall be immediately forfeited and cancelled upon the Director's Termination Date, and, with respect to RSUs held by the Director that have vested prior to the Termination Date and that have not been fully settled in accordance with the Incentive Plan, the settlement for such RSUs that such Director is entitled to under the terms thereof shall be paid or provided by the Company to the Director within the time provided for under the terms thereof.

#### Control Change

Upon the Company entering into a transaction, or otherwise becoming aware of a transaction, which upon completion shall or is likely to result in a Control Change (as defined in the Incentive Plan) (referred to in this section as a "**Transaction**"), the Company shall provide to each Participant a written notice of the proposed Transaction (referred to in this section as the "**Acceleration Notice**").

Upon the provision of the Acceleration Notice:

- (a) the vesting of all Options outstanding under the Incentive Plan shall immediately be accelerated and exercisable subject to the terms and conditions set out in the Incentive Plan; provided, however, that such vesting or exercise shall be effective immediately prior to, and shall be conditional on, the consummation

of such Transaction. Any such Options that have not been exercised pursuant to the above shall be forfeited and cancelled without compensation to the holder thereof upon the consummation of such Transaction; and

- (b) the vesting of all RSUs outstanding under the Incentive Plan shall immediately be accelerated and fully vested (including all Performance Criteria applicable to such RSUs being deemed to be satisfied) subject to the terms and conditions set out in the Incentive Plan; provided, however, that such vesting and settlement of the RSUs shall be effective immediately prior to, and shall be conditional on, the consummation of such Transaction.

If for any reason such Transaction is not consummated, any Common Shares acquired by a Participant under an Option or RSU for the purposes of participating in the Transaction shall be deemed to be cancelled and returned to the Company, shall be added back to the number of Common Shares, if any, remaining issuable under the Option or the RSU, as the case may be, and the Company shall refund such Participant any consideration paid by it in the initial purchase thereof.

#### Adjustments

In the event of (i) any subdivision of the Common Shares into a greater number of Common Shares, (ii) any consolidation of Common Shares into a lesser number of Common Shares, (iii) any reclassification, reorganization or other change affecting the Common Shares, (iv) any merger, amalgamation or consolidation of the Company with or into another corporation, or (v) any distribution to all holders of Common Shares or other securities in the capital of the Company, of cash, evidences of indebtedness or other assets of the Company (excluding an ordinary course dividend in cash or shares, but including shares or equity interests in a subsidiary or business unit of the Company or one of its subsidiaries or cash proceeds of the disposition of such a subsidiary or business unit) or any transaction or change having a similar effect, the Board shall in its sole discretion, subject to required TSX approval, determine the appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economic rights of the Participant in respect of Options or RSUs under the Incentive Plan in connection with such occurrence or change.

#### Discretion to Permit Vesting

Under the terms of the Incentive Plan, the Board has the discretion to accelerate the date upon which any Option or RSU under the Incentive Plan becomes exercisable notwithstanding the vesting schedules for such Option or RSU.

#### Limitations under the Incentive Plan

Notwithstanding any other provision of the Incentive Plan, and subject to applicable TSX policies, the maximum number of Common Shares that:

- (a) may be issuable to any individual Participant under the Incentive Plan, at any time, shall be 5% of the number of issued and outstanding Common Shares (on a non-diluted basis) at the date of grant of the applicable Incentive Award, less the aggregate number of Common Shares issuable to that Participant under Options outstanding under the Legacy Option Plan, under RSUs outstanding under the Legacy RSU Plan and under any other Security Based Compensation Arrangements of the Company at that time;
- (b) may be issuable to Insiders (as defined under the Incentive Plan) as a whole under the Incentive Plan, at any time, shall be 10% of the number of issued and outstanding Common Shares (on a non-diluted basis) at the date of grant of the applicable Incentive Award, less the aggregate number of Common Shares issuable to Insiders as a whole under Options outstanding under the Legacy Option Plan, under RSUs outstanding under the Legacy RSU Plan and under any other Security Based Compensation Arrangements of the Company at that time;

- (c) may be issued to Insiders as a whole under the Incentive Plan within any one year period shall be 10% of the number of issued and outstanding Common Shares (on a non-diluted basis), less the aggregate number of Common Shares issued to Insiders as a whole pursuant to Options under the Legacy Option Plan, RSUs under the Legacy RSU Plan and any other Security Based Compensation Arrangements of the Company over the preceding one-year period;
- (d) may be issued to any one Insider under the Incentive Plan within any one year period shall be 5% of the number of issued and outstanding Common Shares (on a non-diluted basis), less the aggregate number of Common Shares issued to that Insider pursuant to Options under the Legacy Option Plan, RSUs under the Legacy RSU Plan and any other Security Based Compensation Arrangements of the Company over the preceding one-year period; and
- (e) may be issuable to any one Non-Employee Director pursuant to annual grants of Awards shall not exceed a value of \$150,000 (based on the Fair Market Value); provided further that no amount of such value shall be comprised of Options.

#### Status of Terminated Options or RSUs

If an outstanding Option or RSU, or existing awards under the Legacy Option Plan or Legacy RSU Plan, expires or is forfeited, surrendered, cancelled or otherwise terminated or lapses for any reason without having been exercised or settled in full, the Common Shares covered by such Option or RSU or existing award under the Legacy Option Plan or Legacy RSU Plan, if any, will again be available for issuance under the Incentive Plan.

#### Amendment or Discontinuance of the Incentive Plan

Subject to the below (and as otherwise provided for in Article 7 of the Incentive Plan), the Board may, at any time, without the approval of the holders of Common Shares or any other voting securities of the Company, suspend, discontinue or amend the Incentive Plan or an Option or RSU issued thereunder.

Notwithstanding the above, the Board may not, without the approval of the holders of a majority of Common Shares and other voting securities of the Company present and voting in person or by proxy at a meeting of holders of Common Shares, amend the Incentive Plan or an Option or RSU issued thereunder to:

- (a) increase the maximum number of Common Shares issuable, as a fixed percentage of the issued and outstanding Common Shares, pursuant to the Incentive Plan;
- (b) reduce the exercise price of an Option outstanding under the Incentive Plan (including a cancellation and reissue of an Option that constitutes a reduction of the exercise price);
- (c) extend the expiry date of any Option issued under the Incentive Plan beyond the expiry date thereof determined at the date of grant thereof in accordance with the Incentive Plan, except as provided with respect to an expiry date that occurs during a securities trading blackout period imposed by the Company;
- (d) extend the expiry date of any RSU granted under the Incentive Plan, or the Restriction Period, or the Performance Period of any such RSU beyond the original expiry date or Restriction Period or Performance Period thereof;
- (e) expand the categories of individuals contained in the definition of "Eligible Person" in the Incentive Plan who are eligible to participate therein;
- (f) permit the transfer or assignment of Options or RSUs granted under the Incentive Plan, otherwise than by testate succession or the laws of descent and distribution; or

- (g) remove or exceed the limits referred to in “*Significant Terms of Share-Based and Option Based Awards – Incentive Plan – Common Shares Subject to the Incentive Plan*”,

unless the change to the Incentive Plan or Option or RSU granted thereunder results from the application of Article 6 of the Incentive Plan (pertaining to Control Changes and adjustments as defined in the Incentive Plan), subject to applicable policies, rules and regulations of the TSX.

Unless a Participant otherwise agrees, the Board may not suspend, discontinue or amend the Incentive Plan or amend any outstanding Option or RSU granted thereunder in a manner that would adversely alter or impair any such Option or RSU previously granted to a Participant, and any such suspension, discontinuance or amendment of the Incentive Plan or amendment to such an Option or an RSU shall apply only in respect of such Options or RSUs granted on or after the date of such suspension, discontinuance or amendment. No suspension, discontinuance or amendment of the Incentive Plan or amendment of an Option or an RSU may contravene the requirements of the TSX or any securities commission or regulatory body to which the Incentive Plan, the Option, the RSU or the Company is subject.

The Board may not amend any provision of Article 7 of the Incentive Plan (which deals with the above amendment or discontinuance provisions) without the approval of the holders of a majority of Common Shares and other voting securities of the Company present and voting in person or by proxy at a meeting thereof.

### **Legacy Option Plan**

#### **Nature and Administration of the Legacy Option Plan**

Options granted under the Legacy Option Plan (“**Legacy Plan Options**”) were granted at the discretion of the Board to bona fide Directors, Officers, Employees, Management Company Employees, Consultants and Consultant Companies (as those terms are defined in the Legacy Option Plan) of the Company or its affiliates (“**Legacy Plan Optionees**”).

The Legacy Option Plan provides that the Board is responsible for the general administration thereof. Among other powers, the Board may delegate all or a portion of its powers under the Legacy Option Plan to one or more committees of the Board and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Legacy Option Plan so delegated to the same extent as the Board is authorized.

The minimum exercise price of a Legacy Plan Option granted under the Legacy Option Plan must not be less than the Discounted Market Price (as defined in the Legacy Option Plan).

All Legacy Plan Options granted under the Legacy Option Plan are non-assignable and are exercisable for a period of up to ten (10) years. Should the expiry date of a Legacy Plan Option fall within a securities trading blackout period imposed by the Company, or within nine (9) business days following the expiration of such a blackout period, such expiry date shall, subject to applicable stock exchange approval, be automatically extended to that day which is the tenth business day after the end of such blackout period. Such tenth business day period may not be extended by the Board.

#### **Common Shares Subject to the Legacy Option Plan**

The Legacy Option Plan provides that the number of Common Shares issued pursuant to Legacy Plan Options granted under it may not exceed 10% of the number of issued and outstanding Common Shares from time to time, less any Common Shares reserved for issuance under Share Compensation Arrangements (as defined in the Legacy Option Plan) other than the Legacy RSU Plan and the Legacy Option Plan.

#### Exercise of Vested Legacy Plan Options

A Legacy Plan Optionee who wishes to exercise his or her vested Legacy Plan Options may do so by delivering (i) a written notice to the Company specifying the number of Common Shares being acquired, and (ii) payment of the aggregate exercise price for the Common Shares being acquired, plus any required withholding tax amounts.

#### Legacy Plan Optionee Ceasing to Hold its Position with the Company

Legacy Plan Options may be exercised after the Legacy Plan Optionee has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, until the term applicable to such options expires, except as follows:

- (a) in the case of death such optionee, any vested Legacy Plan Options held by him/her at the date of death will become exercisable by such optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death and the date of expiration of the term otherwise applicable to such Legacy Plan Option;
- (b) a Legacy Plan Option granted to any such optionee will expire 90 days (or such other time, not to exceed one year, as determined by the Board as at the date of grant or agreed to by the Board and such optionee at any time prior to expiry of the Legacy Plan Option) after the date such optionee ceases to be employed by or provide services to the Company, and only to the extent that such option was vested at the date such optionee ceased to be so employed by or to provide services to the Company; and
- (c) in the case of such optionee being dismissed from employment or service for cause, such optionee's Legacy Plan Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

#### Change of Control

In the event of a Change of Control (as defined in the Legacy Option Plan), Legacy Plan Options outstanding, which are subject to vesting provisions, shall be deemed to have immediately vested upon the occurrence of the Change of Control, subject to applicable stock exchange approval.

If a Take Over Bid (as defined in the Legacy Option Plan) is made to the Shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Legacy Plan Optionee of the Take Over Bid, whereupon such Legacy Plan Option may, notwithstanding any vesting requirements set out in the applicable option commitment, be immediately exercised in whole or in part by such optionees, subject to applicable stock exchange approval.

#### Adjustments

The number of Common Shares subject to a Legacy Plan Option will be subject to adjustment as follows:

- (a) in the event of a subdivision of Common Shares into a greater number of Common Shares, the Company will thereafter deliver at the time of exercise of such option, in addition to the number of Common Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without a Legacy Plan Optionee making any additional payment;
- (b) in the event of a consolidation of the Common Shares into a lesser number of Common Shares, the Company will thereafter deliver and a Legacy Plan Optionee will accept, at the time of exercise of such option, in lieu of the number of Common Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;



- (c) in the event of any change of the Common Shares, the Company will thereafter deliver at the time of exercise of such option the number of shares of the appropriate class resulting from the change as the Legacy Plan Optionee would have been entitled to receive had the right to purchase been exercised before such change;
- (d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time, a Legacy Plan Optionee will thereafter have the right to purchase and receive, in lieu of the Common Shares purchasable and receivable upon the exercise of its Legacy Plan Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Common Shares immediately theretofore purchasable and receivable upon the exercise of such option would have received as a result thereof.

#### Discretion to Permit Vesting

Subject to certain provisions in the Legacy Option Plan relating to vesting of Legacy Plan Options provided to Consultants conducting Investor Relations Activities (as defined in the Legacy Option Plan), the vesting of Legacy Plan Options is at the discretion of the Board and in the absence of a vesting schedule being specified at the time of grant, all such Legacy Plan Options vest immediately. Also see "*Suspension, Termination or Amendment*" below.

#### Limitations under the Legacy Option Plan

The following are restrictions on issuances under the Legacy Option Plan:

- (a) the aggregate number of Legacy Plan Options granted to Legacy Plan Optionees conducting Investor Relations Activities in any 12 month period cannot exceed 2% of the outstanding Common Shares calculated at the time of grant without the applicable prior stock exchange consent;
- (b) the aggregate number of Legacy Plan Options granted to any one Consultant in any 12 month period cannot exceed 2% of the outstanding Common Shares calculated at the time of grant without the prior applicable stock exchange consent; and
- (c) no Legacy Plan Optionee can be granted a Legacy Plan Option if such option would result in the total number of such options, together with all other Share Compensation Arrangements granted to that optionee in any 12 month period exceeding 5% of the outstanding Common Shares, unless disinterested Shareholder approval is obtained.

#### Status of Terminated Legacy Plan Options

If a Legacy Plan Option expires unexercised or is terminated by reason of dismissal of the Legacy Plan Optionee for cause or is otherwise lawfully cancelled prior to exercise of the Legacy Plan Option, the Common Shares that were issuable thereunder will be returned to the Incentive Plan and be eligible for re-issuance thereunder.

#### Suspension, Termination or Amendment

Subject to the applicable stock exchange requirements and the prior receipt of any necessary regulatory approval, the Board may in its absolute discretion, amend or modify the Legacy Option Plan or any Legacy Plan Option as follows:

- (a) it may make amendments which are of a typographical, grammatical or clerical nature only;

- (b) it may change the vesting provisions of a granted Legacy Plan Option;
- (c) it may change the termination provision of a granted Legacy Plan Option which does not entail an extension beyond the original expiry date of such option;
- (d) it may make amendments necessary as a result in changes in securities laws applicable to the Company;
- (e) if the Company becomes listed or quoted on a senior stock exchange (including the TSX), it may make such amendments as may be required by the policies of such senior stock exchange; and
- (f) it may make such amendments as reduce, and do not increase, the benefits of the Legacy Option Plan to Legacy Plan Optionees.

The Company will be required to obtain disinterested Shareholder approval prior to any of the following actions becoming effective:

- (a) the Legacy Option Plan, together with all of the Company's other previous Share Compensation Arrangements, could result at any time in (i) the aggregate number of Common Shares reserved for issuance under Legacy Option Options granted to Insiders (as defined in the Legacy Option Plan) exceeding 10% of the outstanding Common Shares, (ii) the number of Common Shares under Legacy Plan Options issued to Insiders within a one-year period exceeding 10% of the outstanding Common Shares, or (iii) the issuance to any one Legacy Plan Optionee, within a 12-month period, of a number of Common Shares exceeding 5% of the outstanding Common Shares; or
- (b) any reduction in the exercise price of a Legacy Plan Option previously granted to an Insider.

No further options may be granted under the Legacy Option Plan. Subject to any required regulatory approvals, the Board may from time to time amend any existing Legacy Plan Option or the Legacy Option Plan provided that where such amendment relates to an existing Legacy Plan Option and it would (i) materially decrease the rights or benefits accruing to a Legacy Plan Optionee, or (ii) materially increase the obligations of a Legacy Plan Optionee, unless otherwise excepted out by a provision of the Legacy Option Plan. The Board must also obtain the written consent of the Legacy Plan Optionee in question to such amendment. If at the time the exercise price of a Legacy Plan Option is reduced the optionee thereof is an Insider, the Insider must not exercise such option at the reduced exercise price until such reduction has been approved by disinterested Shareholders, if required by the applicable stock exchange.

Subject to the requirements in the Legacy Option Plan to obtain disinterested Shareholder approval to reduce the exercise price of a Legacy Plan Option previously granted to an Insider, the exercise price of a Legacy Plan Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of such option or the date of the last amendment of the exercise price. A Legacy Plan Option must be outstanding for at least one year before the Company may extend its term, subject to the maximum 10-year limit.

### **Legacy RSU Plan**

#### Nature and Administration of the Legacy RSU Plan

All Directors, Employees and Consultants (as defined in the Legacy RSU Plan) of the Company and its related entities ("**RSU Eligible Persons**") were eligible to participate in the Legacy RSU Plan (referred to as "**Participants**" in this "*Legacy RSU Plan*" section). Eligibility to participate in the Legacy RSU Plan does not confer upon any person a right to receive an award of RSUs under the Legacy RSU Plan ("**Legacy RSUs**").

Subject to certain restrictions, the Human Resources and Compensation Committee (the "**Committee**") was able, from time to time, award Legacy RSUs in its discretion to any RSU Eligible Persons. Legacy RSUs were credited to an account maintained for each Participant on the books of the Company as of the award date. The number of Legacy RSUs credited to each Participant's account in respect of a fiscal year was determined by dividing: (a) the dollar

amount of the portion of the Participant's compensation which the Committee, in its sole discretion, determined to be paid as Legacy RSUs, by (b) the "Fair Market Value" per Common Share on the award date. Any fractional Legacy RSUs resulting from this calculation was rounded to the nearest whole number.

For the purposes of the Legacy RSU Plan, "**Fair Market Value**" means, at any date, the higher of: (i) the weighted average price per share at which the Common Shares have traded on the TSX during the last five (5) trading days prior to that date and (ii) the closing price of the Common Shares on the TSX on the date prior to that date, or, if the Common Shares are not then listed and posted for trading on any stock exchange, then it shall be the fair market value per Common Share as determined by the Board in its sole discretion; and for such purposes, the weighted average price per share at which the Common Shares have traded on the TSX shall be calculated by dividing (i) the aggregate sale price for all the Common Shares traded on the TSX during the relevant five trading days by (ii) the aggregate number of Common Shares traded on the TSX during the relevant five trading days.

The Legacy RSUs have a term, which was determined by the Committee on the date of award of the Legacy RSUs, which term shall not exceed ten years from the award date. If the expiry time for a Legacy RSU falls within any securities trading blackout period imposed by the Company or within ten business days following the end of any such blackout period, then the expiry time of such Legacy RSU shall, without any further action, be extended to the date that is ten business days following the end of such blackout period notwithstanding any other term of the Legacy RSU Plan.

Each award of Legacy RSUs vests on the date(s) and/or the satisfaction of the Performance Criteria (each a "**Vesting Date**") specified by the Committee on the award date and reflected in the applicable Award Notice (as defined in the Legacy RSU Plan).

Legacy RSUs are personal to the Participant and are non-assignable, otherwise than by testate succession or the laws of descent and distribution.

Rights and obligations under the Legacy RSU Plan can be assigned by the Company (without the consent of Participants) to a successor in the business of the Company, any corporation resulting from any amalgamation, reorganization, combination, merger or arrangement of the Company, or any corporation acquiring all or substantially all of the assets or business of the Company. All awards under the Legacy RSU Plan will be evidenced by award notices in substantially the form of Schedule "A" to the Legacy RSU Plan and will contain such other terms and conditions relating to an award of Legacy RSUs as the Committee may prescribe.

#### Common Shares Reserved

Subject to adjustment as may be permitted under the Legacy RSU Plan, the maximum number of Common Shares which may be reserved for issuance under the Legacy RSU Plan at any time shall be 9,687,030 Common Shares.

#### Credits for Dividends

A Participant's account will be credited with additional Legacy RSUs as of each dividend payment date in respect of which cash dividends are paid on Common Shares. The number of additional Legacy RSUs to be credited to a Participant's account is computed by dividing: (a) the dividends that would have been paid to such Participant if each Legacy RSU in the Participant's account on the relevant dividend record date had been a Common Share, by (b) the Fair Market Value of the Common Shares determined as of the date of payment of such dividend. Any fractional Legacy RSUs resulting from this calculation will be rounded to the nearest whole number. Any additional Legacy RSUs credited to the Participant's account will vest in proportion to and will be paid under the Legacy RSU Plan in the same manner as the Legacy RSUs to which they relate. Note that the Company is not obligated to pay dividends on Common Shares.

### Acquisition of Vested Legacy RSUs

A holder of vested Legacy RSUs may acquire Common Shares representing such Legacy RSUs by delivering a Notice of Acquisition (as defined in the Legacy RSU Plan) to the Company and a certified cheque or bank draft payable to the Company for the Applicable Withholding Amounts (as defined in the Legacy RSU Plan) on or before the Expiry Time (as defined in the Legacy RSU Plan). Upon receipt of the Notice of Acquisition the Company shall issue, within ten days following the receipt of the Notice of Acquisition, and subject to such applicable residual withholding, if any, as the Company determines in its discretion should then be imposed to meet related withholding or remittance obligations under applicable law, one Common Share for each Legacy RSU in the Participant's Account which has been included in the Notice of Acquisition.

### Participant Ceasing to Hold its Position with the Company

Generally, and subject to any express resolution passed by the Committee, if a Participant's employment or service is terminated (whether or not that termination is for Cause, as defined in the Legacy RSU Plan), or if the Participant resigns from employment with the Company, then any Legacy RSUs credited to him or her under the Legacy RSU Plan which have not vested on or before the Separation Date (as defined in the Legacy RSU Plan) for the Participant are forfeited, cancelled and terminated without payment effective on the Separation Date. The Participant may, but only within the thirty (30) days following the Separation Date, deliver a completed Notice of Acquisition to the Company to acquire Common Shares for previously vested Legacy RSUs (if any). Any vested Legacy RSUs which the Participant has not delivered a completed Notice of Acquisition for shall be forfeited and cancelled effective at 4:00 p.m. (Vancouver time) on such 30th day.

In the event a Participant takes a leave of absence other than an Approved Leave of Absence (as defined in the Legacy RSU Plan), all Legacy RSUs granted to the Participant that have not then vested will terminate and be null and void, subject to applicable law and the Board's sole and absolute discretion to determine otherwise.

Upon the death of a Participant, any Legacy RSUs granted to a Participant which, as of the date of the death, have not yet vested, immediately vest. Any Legacy RSUs granted to the Participant under the Legacy RSU Plan shall be forfeited and cancelled effective at 4:00 p.m. (Vancouver time) on the first year anniversary of the death of the Participant and shall terminate without payment and shall be of no further force or effect from and after such time.

### Control Change

In the event of a Control Change (as defined in the Legacy RSU Plan), the Committee may, at its sole option and without the consent of the Participant:

- (a) take such steps as the Committee considers desirable, taking into account any tax consequences to the extent considered relevant by the Committee, to cause the conversion or exchange of any outstanding Legacy RSUs into or for rights or other securities of substantially equivalent value (or greater value) in any entity participating in or resulting from a Control Change;
- (b) accelerate the vesting of any or all outstanding Legacy RSUs to provide that such outstanding Legacy RSUs are fully vested upon (or immediately prior to) the completion of the transaction resulting in the Control Change; or
- (c) determine that a Participant who is no longer an RSU Eligible Person as a result of or in anticipation of a Control Change shall continue to be a Participant and RSU Eligible Person for purposes of the Legacy RSU Plan, but subject to such terms and conditions, if any, established by the Committee in its sole discretion.

If, before the completion of the Vesting Date with respect to any award of Legacy RSUs, the Participant's service as a Director ceases or as an Employee of the Company or of a Related Entity is terminated, where such cessation or termination occurs:

- (a) subsequent to a Control Change and during the Control Change Period (as defined in the Legacy RSU Plan) and such termination was:
  - (i) for any reason whatsoever other than death or termination for Cause; or
  - (ii) for Good Reason (as defined in the Legacy RSU Plan) and the Participant gives notice to the Company to that effect and after thirty days the Company does not cure the act or omission which constitutes Good Reason; or
- (b) prior to the date on which a Control Change occurs and it is reasonably demonstrated that such termination:
  - (i) was at the request of a third party who has taken steps reasonably calculated to effect a Control Change; or
  - (ii) arose in connection with or anticipation of a Control Change,

then the Award shall immediately vest on the Separation Date and the Payment Amount (as defined in the Legacy RSU Plan) shall be equal to the number of Common Shares determined on the Separation Date multiplied by the number of Legacy RSUs in the Participant's account, net of applicable withholding tax. Notwithstanding the foregoing, the Committee may, in its sole and absolute discretion, provide in the Award Notice evidencing the award a provision to the effect that these provisions shall not apply in respect of that award or shall apply on such modified basis as is expressly set forth in such Award Notice.

#### Adjustments

In the event of any subdivision, consolidation, stock dividend, capital reorganization, reclassification, exchange, or other change with respect to the Common Shares, or a consolidation, amalgamation, merger, spin-off, sale, lease or exchange of all or substantially all of the property of the Company or other distribution of the Company's assets to the Shareholders of the Company (other than the payment of dividends in respect of the Common Shares as contemplated in the Legacy RSU Plan), the Committee may choose to adjust the account of each Participant and the Legacy RSUs outstanding under the Legacy RSU Plan in such manner, if any, as the Committee may in its discretion deem appropriate (taking into account any tax consequences to the extent considered relevant by the Committee) to preserve the account of each Participant and the Legacy RSUs outstanding under the Legacy RSU Plan will be adjusted in such manner, if any, as the Committee deems appropriate to preserve, proportionally, the interests of Participants. For greater certainty and notwithstanding any other provision of the Legacy RSU Plan, in no event shall a Participant be or become entitled to receive any amount of cash from the Company.

#### Discretion with respect to Participation, Vesting and Payment of Payment Amounts

The Committee can, in its sole discretion, subject to such terms and conditions (if any) established by the Committee in its sole discretion at any time, permit:

- (a) persons previously entitled to participate in the Legacy RSU Plan to continue to be a Participant for the purposes of the Legacy RSU Plan;
- (b) the vesting or accelerated vesting of any or all Legacy RSUs held by a Participant; and
- (c) the payment of the Payment Amount in respect of such Legacy RSUs in the manner and on the terms authorized by the Committee.

#### Limitations under the Legacy RSU Plan

Notwithstanding any other provision of the Legacy RSU Plan, but subject to Legacy RSU grants approved by the disinterested Shareholders of the Company or other requirements of applicable Exchange Policies (as defined in the Legacy RSU Plan):

- (a) the aggregate number of Common Shares reserved for issuance under the Legacy RSU Plan, together with any other Security Based Compensation Arrangements (as defined in the Legacy RSU Plan), for Insiders (as defined in the Legacy RSU Plan) (as a group) at any point in time may not exceed 10% of the issued and outstanding Common Shares from time to time;
- (b) the maximum number of Legacy RSUs that may be granted to Insiders (as a group) under the Legacy RSU Plan, together with any other Security Based Compensation Arrangements, within a 12-month period, may not exceed 10% of the issued and outstanding Common Shares calculated on the award date;
- (c) the maximum number of Legacy RSUs that may be granted to any one RSU Eligible Person (and companies wholly owned by that RSU Eligible Person) under the Legacy RSU Plan, together with any other Security Based Compensation Arrangements, within a 12-month period, may not exceed 5% of the issued and outstanding Common Shares, calculated on the award date; and
- (d) the maximum number of Legacy RSUs that may be granted to any one Consultant under the Legacy RSU Plan, together with any other Security Based Compensation Arrangements, within a 12-month period, may not exceed 2% of the issued and outstanding Common Shares, calculated on the award date.

The Legacy RSU Plan provides that the respective limits set out above may be exceeded in accordance with applicable Exchange Policies.

#### Status of Terminated Legacy RSUs

The number of Common Shares underlying any grants of Legacy RSUs that are surrendered, forfeited, waived and/or cancelled shall be returned to the Incentive Plan and be eligible for re-issuance thereunder. The number of Common Shares underlying any grants of Legacy RSUs that are issued upon exercise of Legacy RSUs shall be returned to the Incentive Plan and be eligible for re-issuance thereunder.

#### Amendment, Suspension, or Termination

Subject to applicable law, the Committee may from time to time amend or suspend the Legacy RSU Plan in whole or in part and may at any time terminate the Legacy RSU Plan without prior notice. However, any such amendment, suspension or termination shall not adversely affect the Legacy RSUs previously granted to a Participant at the time of such amendment, suspension or termination, without the consent of the affected Participant.

If the Committee suspends or terminates the Legacy RSU Plan, previously credited Legacy RSUs shall remain outstanding but shall not be entitled to dividend credits following suspension or termination unless at the time of suspension or termination the Committee determines that the entitlement to dividend credits during suspension or after termination, as applicable, should be continued.

The Committee shall not require the consent of any affected Participant in connection with a termination of the Legacy RSU Plan in which the vesting of all Legacy RSUs held by the Participant are accelerated and the Payment Amount (less Applicable Withholding Amount) is paid to the Participant in respect of all such Legacy RSUs.

The Company will be required to obtain disinterested Shareholder approval for any amendment related to (i) the number or percentage of issued and outstanding Common Shares available for grant under the Legacy RSU Plan; (ii) a change in method of calculation of redemption of Legacy RSUs held by RSU Eligible Persons; and (iii) an extension to the term for redemption of Legacy RSUs held by RSU Eligible Persons.

The Legacy RSU Plan will terminate on the date upon which no further Legacy RSUs remain outstanding provided that such termination is confirmed by a resolution of the Committee.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

See disclosure under “*Statement of Executive Compensation – Significant Terms of Share-Based and Option-Based Awards*” for disclosure on the Company’s equity compensation regime.

The following table sets out information as at December 31, 2022 the Common Shares authorized for issuance under Company’s equity compensation plans being the Legacy Option Plan, the Legacy RSU Plan and the Incentive Plan.

		Number of Securities To Be Issued Upon Exercise of Outstanding Options and RSUs (#)	Weighted-Average Exercise Price of Options and RSUs (\$)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in prior columns) <sup>(4)</sup> (#)
Equity compensation plans approved by securityholders	Legacy Option Plan <sup>(1)</sup>	3,687,001	0.24	-
	Legacy RSU Plan <sup>(2)</sup>	924,786	N/A	-
	Incentive Plan Options <sup>(3)</sup>	3,352,471	1.19	6,195,719
	Incentive Plan RSUs <sup>(3)</sup>	1,044,101	N/A	
	Total	9,008,359	0.69	6,195,719
Equity compensation plans not approved by securityholders		-	-	-
<b>Total</b>		9,008,359	0.69	6,195,719

Notes:

- (1) With the disinterested Shareholders’ approval of the Incentive Plan on June 23, 2021, no further Options will be granted under the Legacy Option Plan. See “*Significant Terms of Share-Based and Option-Based Awards*” above. Prior to June 23, 2021, the Legacy Option Plan set the maximum number of Common Shares that may be subject to Options granted and outstanding thereunder at any time was not to exceed 10% of the total issued and outstanding Common Shares.
- (2) With the disinterested Shareholders’ approval of the Incentive Plan on June 23, 2021, no further RSUs will be granted under the Legacy RSU Plan. See “*Significant Terms of Share-Based and Option-Based Awards*” above. Previously, the Legacy RSU Plan fixed the number of Common Shares available for issuance under such plan at 9,687,030 Common Shares
- (3) Pursuant to the Incentive Plan, the aggregate number of Common Shares issuable under the Incentive Plan at any time, subject to adjustment of such number pursuant to the adjustment provisions in the Incentive Plan, shall not exceed 10% of the number of issued and outstanding Common Shares (on a non-diluted basis) at that time, less the aggregate number of Common Shares issuable under Options outstanding under the Legacy Option Plan, under RSUs outstanding under the Legacy RSU Plan and under any other Security Based Compensation Arrangements (as defined in the Incentive Plan) of the Company at that time.
- (4) As at December 31, 2022, there were 152,040,781 Common Shares outstanding.

During the year ended December 31, 2022, the Company issued 278,332 Common Shares upon the exercise of Options under the Legacy Option Plan and 101,334 Options under the Legacy Option Plan were forfeited or expired without being exercised. The total number of Options under the Legacy Option Plan granted during the year ended December 31, 2022 was nil. As of June 23, 2021, no Options may be granted under the Legacy Option Plan.

During the year ended December 31, 2022, there were 68,666 RSUs under the Legacy RSU Plan exercised and 34,334 forfeited. The total number of RSUs under the Legacy RSU Plan granted during the year ended December 31, 2022 was nil. As of June 23, 2021, no RSUs may be granted under the Legacy Option Plan.

During the year ended December 31, 2022, the Company issued nil Common Shares upon the exercise of Options under the Incentive Plan and 890,028 Options under the Incentive Plan were forfeited or expired without being

exercised. The total number of Options under the Incentive Plan granted during the year ended December 31, 2022 was 3,240,029.

During the year ended December 31, 2022, there were 12,400 RSUs under the Incentive Plan exercised and 92,926 forfeited. The total number of RSUs under the Incentive Plan granted during the year ended December 31, 2022 was 931,421.

## Burn Rate

Burn rate measures the annual usage of the Company's shares for incentive purposes. The burn rate for the Company's three equity-based compensation plans in existence during the year ended December 31, 2022, the Legacy RSU Plan, the Legacy Option Plan and the Incentive Plan, is calculated by dividing the number of equity based securities granted under the applicable plan during that period by the weighted average number of Common Shares outstanding during that period.

The following table sets forth the burn rate for the Company's three most recently completed financial years ended December 31.

Year	Number of equity-based securities granted as compensation during the year/period				Weighted Average Common Shares Outstanding (#) <sup>(2)</sup> (E)	Burn Rate for Legacy Option Plan (%) (A)/(E)	Burn Rate for Legacy RSU Plan (%) (B)/(E)	Burn Rate for Incentive Plan Options (%) (C)/(E)	Burn Rate for Incentive Plan RSUs (%) (D)/(E)	Combined Burn Rate for Legacy RSU Plan, Legacy Option Plan and Incentive Plan (%) (A+B+C+D)/(E)
	Options Granted Under Legacy Option Plan (#) <sup>(1)</sup> (A)	RSUs Granted Under Legacy RSU Plan (#) <sup>(1)</sup> (B)	Options Granted Under Incentive Plan (#) (C)	RSUs Granted Under Incentive Plan (#) (D)						
2022	Nil	Nil	3,240,029	931,421	150,917,997	Nil	Nil	2.15%	0.62%	2.76%
2021	Nil	130,414	1,147,470	218,006	143,851,178	Nil	0.09%	0.79%	0.15%	1.04%
2020	1,132,000	960,038	0	0	92,833,394	1.22%	1.03%	0.00%	0.00%	2.25%
Three Year Average						0.41%	0.37%	0.98%	0.26%	2.02%

Notes:

- (1) With the disinterested Shareholders' approval of the Incentive Plan on June 23, 2021, no further Options or RSUs will be granted under, respectively, the Legacy Option Plan and the Legacy RSU Plan. See "Significant Terms of Share-Based and Option-Based Awards" above.
- (2) The weighted average number of Common Shares outstanding during the year is the number of Common Shares outstanding at the beginning of the year, adjusted by the number of securities bought back or issued during the year multiplied by a time-weighting factor. The time-weighting factor is the number of days that the Common Shares are outstanding as a proportion of the total number of days in the year. The weighted average number of Common Shares outstanding was calculated in accordance with the rules set out in the CPA Canada Handbook in effect at December 31 of each year.

## MANAGEMENT CONTRACTS

The Company has no agreements or arrangements whereby management functions of the Company are to any substantial degree, performed other than the directors or executive officers of the Company.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No executive officers or directors, or former executive officers or directors, nor any associate of such individuals, is as at the date hereof, or has been since the beginning of the financial year ended December 31, 2022, indebted to the Company or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Company or any of its subsidiaries.



## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

As of the date of this Circular, no informed person of the Company, proposed director of the Company, or any associate or affiliate of any informed person or proposed director, has had a material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or has a material interest in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries. An informed person is one who, generally speaking, is a director or executive officer or a 10% Shareholder of the Company.

## OTHER MATTERS

There are no other matters to be considered at the Meeting that are known to the directors or executive officers of the Company at this time. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Circular to vote the same in accordance with their best judgment of such matters exercising discretionary authority with respect to amendments or variations of matters identified in the Notice of Meeting, and other matters which may properly come before the Meeting or any adjournment thereof the Board is not aware of any other matters that it anticipates will come before the Meeting as of the date of this Circular.

## ADDITIONAL INFORMATION

Additional information relating to the Company is included in the Company's Annual Information Form and in the Audited Consolidated Financial Statements for the years ended December 31, 2022 and 2021, Report of Independent Accounting Firm and related Management Discussion and Analysis filed under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Copies of the Company's most recent Interim Financial Statements and related Management Discussion and Analysis, may also be obtained from SEDAR.

Additional information relating to the Company is filed on SEDAR at [www.sedar.com](http://www.sedar.com) and may be obtained upon request from the Company at Suite 110, 3605 Gilmore Way, Burnaby, British Columbia, Canada V5G 4X5 or by telephone at +1-604-259-0343.

## BOARD APPROVAL

The contents of this Circular and its distribution to Shareholders have been approved by the Board.

**DATED** at Burnaby, British Columbia, on the 10<sup>th</sup> day of May, 2023.

**BY ORDER OF THE BOARD OF DIRECTORS  
OF GREENLANE RENEWABLES INC.**

(signed) "*Brad Douville*"

Brad Douville  
Chief Executive Officer and Director

## SCHEDULE "A"

### BOARD MANDATE

#### GREENLANE RENEWABLES INC. (the "Company")

#### BOARD MANDATE

(Adopted by the Board on July 25, 2019 and  
amended on May 12, 2021 and May 12, 2022  
and restated on May 12, 2022)

#### Mandate

The Board of Directors of the Company (the "**Board**") is responsible for the stewardship of the Company. The Board supervises the management of the business and affairs of the Company, with a goal of enhancing long-term shareholder value.

Specifically, the Board is charged with responsibility for:

- (a) to the extent feasible, satisfying itself as to the integrity of the chief executive officer and other executive officers and that the chief executive officer and other executive officers create a culture of integrity throughout the Company;
- (b) adopting a strategic planning process and approving, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the business;
- (c) the identification of the principal risks of the Company's business, and ensuring the implementation of appropriate systems to manage these risks;
- (d) succession planning (including appointing, training and monitoring senior management);
- (e) adopting a communication policy for the Company;
- (f) overseeing the adequacy of the Company's internal control and management information systems; and
- (g) developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company.

#### Membership

The Board of Directors is elected by the shareholders of the Company to hold office for the ensuing year or until their successors are elected or appointed.

The Board shall be composed of a majority of "independent" directors (as such term is defined in National Instrument 52-110 – *Audit Committees* ("**NI 52-110**")).

The Board may from time to time designate one of the members of the Board to be the Chair of the Board. The Chair of the Board should be an independent director. The Board may, from time to time and when deemed appropriate, appoint a lead Independent director (the "Lead Independent Director"). The Lead Independent Director will be recommended by the non-management directors of the Company.

## **Board Committees**

To assist it in exercising its responsibilities, the Board hereby establishes three standing committees of the Board: an audit committee (the “Audit Committee”), a human resources and compensation committee (the “Human Resources and Compensation Committee”), and a corporate governance and nominating committee (the “Corporate Governance and Nominating Committee”). The Audit Committee, the Human Resources and Compensation Committee, and the Corporate Governance and Nominating Committee shall be composed of all “independent” directors (as such term is defined in NI 52-110). The Board may establish other standing committees, from time to time.

Each committee shall have a written charter. At a minimum, each charter shall clearly establish the committee’s purpose, responsibilities, member qualifications, member appointment and removal, structure and operations (including any authority to delegate to individual members and subcommittees), and manner of reporting to the Board. Each charter shall be reviewed by the Board (or a committee thereof) on at least an annual basis.

The Board is responsible for appointing directors to each of its committees, in accordance with the written charter for each committee.

## **Expectations of Directors**

The Board expects that each director will, among other things:

- (a) act honestly, in good faith and in the best interests of the Company;
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances;
- (c) commit the time and energy necessary to properly carry out his or her duties;
- (d) attend all Board and committee meetings, as applicable;
- (e) review in advance all meeting materials and otherwise adequately prepare for all Board and committee meetings, as applicable; and
- (f) comply with the corporate governance policies adopted by the Board from time to time including any written code of business conduct and ethics.

## **Meetings and Participation**

The Board shall meet at least once per quarter, or more frequently as circumstances dictate. The Chair, the Lead Independent Director (if any) or any one director may call a meeting of the Board.

Meeting agendas will be prepared and provided in advance to directors, along with appropriate briefing materials. The agenda will be set by the Chair of the Board in consultation with the Lead Independent Director (if any) and based on input from other directors of the Board and senior management.

No business may be transacted by the Board except at a meeting at which a quorum of the Board is present. A quorum for meetings of the Board is a majority of its directors. The Board may invite such officers, employees and external consultants of the Company as it may see fit from time to time to attend meetings of the Board and assist in the discussion of the Board.

The non-management directors shall meet from time to time without any member of management being present (including any director who is a member of management).

The Board shall keep minutes of its meetings in which shall be recorded all action taken by it, which minutes shall be subsequently presented to the Board for review and approval.

### **Duties, Powers, and Responsibilities**

#### **1. Supervising Management of the Company**

The Board is responsible for:

- (a) designating the offices of the Company, appointing such officers, specifying their duties and delegating to them the power to manage the day-to-day business and affairs of the Company;
- (b) reviewing the officers' performance and effectiveness; and
- (c) acting in a supervisory role, such that any duties and powers not delegated to the officers of the Company remain with the Board and its committees.

#### **2. Strategic Planning**

The Board is responsible for adopting a strategic planning process for the Company. Such process shall include:

- (a) the Board overseeing the Company's strategic direction and major policy decisions generally;
- (b) the Board devoting at least a day-long meeting to strategic planning annually; and
- (c) the Board discussing strategies and their implementation regularly at the Board meetings.

On at least an annual basis, the Board shall approve the Company's strategic plan or an update to the Company's long-term strategic plan, which shall take into account, among other things, the opportunities and risks of the Company's business. The Board shall review and approve the corporate financial goals, operating plans and actions of the Company, including significant capital allocations, expenditures and transactions that exceed thresholds set by the Board.

#### **3. Risk Management**

The Board is responsible for identifying the principal risks of the Company's businesses and ensuring that those risks are effectively managed. Among other things, the Board shall review the Company's risk management policies and procedures. The Board delegates to the Audit Committee the responsibility for reviewing the Company's internal controls and risk management policies and procedures related to the finance and accounting aspects of the business.

The Board shall ensure that systems are in place to identify principal risks to the Company and its businesses and that appropriate procedures are in place to manage those risks and to address and comply with applicable regulatory, corporate, securities and other compliance matters. Specifically, the Board shall ensure that procedures are in place to comply with the law, the Company's Articles, the Company's Code of Business Conduct and Ethics, all exemption orders issued in respect of the Company by applicable securities regulatory authorities and all other significant Company policies and procedures.

#### **4. Succession Planning**

The Board is responsible for overseeing succession planning matters for officers and senior management, including the appointment, training and monitoring of such persons, and to assist them with certain of those responsibilities, the Board has established the Human Resources and Compensation Committee.

The Board is also responsible for:

- (a) generally ensuring depth in senior management;
- (b) reviewing candidates for senior management positions;
- (c) considering annually the organizational structure of the Company; and
- (d) considering annually other succession planning matters.

## **5. Communications Policy**

The Board is responsible for adopting a communications policy that ensures that the Company communicates effectively with its shareholders, other stakeholders, and the public in general. The Corporate Disclosure Policy shall:

- (a) contain measures for the Company to comply with its continuous and timely disclosure requirements and to avoid selective disclosure;
- (b) address how the Company interacts with analysts, investors, other key stakeholders and the public; and
- (c) address who reviews and approves major Company announcements.

The Company shall maintain an investor relations group contact with the responsibility of maintaining communications with the investing public in accordance with the Corporate Disclosure Policy. The Audit Committee shall review the Corporate Disclosure Policy at least annually.

## **6. Internal Controls**

The Board is responsible for overseeing the adequacy of the Company's internal control and management information systems. The Board may delegate its responsibilities relating to the Company's internal control and management information systems to the Audit Committee.

## **7. Corporate Governance**

The Board is responsible for developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company. The Board shall monitor and evaluate the effectiveness of the system of corporate governance at the Company, including the information requirements for the Board, the frequency and content of meetings and the need for any special meetings, communication processes between the Board and management, the charters of the Board and its committees and policies governing size and compensation of the Board. The Board delegates its responsibilities relating to corporate governance to the Corporate Governance and Nominating Committee.

## **8. Measures for Receiving Feedback from Security Holders**

The Board shall establish procedures to ensure that the Company, through management, provides timely information to current and potential security holders and responds to their inquiries. The purpose of these procedures will be to ensure that every security holder inquiry receives a prompt response from an appropriate spokesperson in accordance with the Company's Corporate Disclosure Policy. The Board (or a committee thereof) shall ensure that designated persons under the Corporate Disclosure Policy are available to meet regularly with financial analysts and institutional investors.

## **9. Positions Description**

The Board is responsible for:

- (a) developing clear written position descriptions for the Chair of the Board, Lead Independent Director (if any) and the Chair of each Board committee;
- (b) together with the Chief Executive Officer, developing a clear position description for the Chief Executive Officer, which includes delineating management's responsibilities; and
- (c) developing or approving the corporate goals and objectives that the Chief Executive Officer is responsible for meeting.

#### **10. Orientation and Continuing Education**

The Board is responsible for:

- (a) ensuring that all new directors receive a comprehensive orientation, so that they fully understand:
  - (i) the role of the Board and its committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and energy that the Company expects from its directors), and
  - (ii) the nature and operation of the Company's business; and
- (b) providing continuing education opportunities for all directors, so that they may:
  - (i) maintain or enhance their skills and abilities as directors, and
  - (ii) ensure that their knowledge and understanding of the Company's business remains current.

#### **11. Code of Business Conduct and Ethics**

The Board is responsible for adopting a written code of business conduct and ethics (the "Code"), applicable to directors, officers and employees of the Company. The Code shall constitute written standards that are reasonably designed to promote integrity and deter wrongdoing and shall address the following issues:

- (a) conflicts of interest, including transactions and agreements in respect of which a director or executive officer has a material interest;
- (b) protection and proper use of corporate assets and opportunities;
- (c) confidentiality of corporate information;
- (d) fair dealing with the Company's security holders, customers, suppliers, competitors and employees;
- (e) compliance with laws, rules and regulations; and
- (f) reporting of any illegal or unethical behaviour.

The Board is responsible for monitoring compliance with the Code. Any waivers from the Code that are granted for the benefit of the Company's directors or executive officers shall be granted by the Board (or a Board committee) only.

## **12. Nomination of Directors**

The Board is responsible for nominating or appointing individuals as directors and to assist it with this responsibility, the Board delegates this task to the Corporate Governance and Nominating Committee.

Prior to nominating or appointing individuals as directors, the Corporate Governance and Nominating Committee shall:

- (a) consider what competencies and skills the Board, as a whole, should possess;
- (b) assess what competencies and skills each existing director possesses (including the personality and other qualities of each director);
- (c) consider the appropriate size of the Board, with a view to facilitating effective decision-making; and
- (d) consider the advice and input of the Corporate Governance and Nominating Committee.

## **13. Compensation Matters**

The Board is responsible for overseeing compensation matters (including compensation of directors and executive officers, approving the Company's annual compensation budget and reviewing and approving matters related to the Company's retirement and incentive plans) and to assist it with certain of these responsibilities, the Board delegates certain of these tasks to the Human Resources and Compensation Committee as herein provided. The Human Resources and Compensation Committee is responsible for, on an annual basis, the evaluation process and compensation structure for the Company's executive officers, which process will establish the underlying rationale and parameters for establishing all components of, and amounts for, executive compensation (including base salary and under the Company's short-term incentive plan and long-term incentive plan) for all executive officers. Once approved by the Human Resources and Compensation Committee, the CEO is empowered to determine the amounts for each non-CEO executive officers taking into account those parameters and all other matters the CEO deems appropriate and, notwithstanding the above, the non-executive directors of the Board remain responsible for determining the amounts for the CEO taking into account those parameters and all other matters such as the Board deems appropriate. Notwithstanding the foregoing, all equity-based compensation shall remain subject to Board approval.

## **14. Regular Board Assessments**

The Board is responsible for regularly and at least annually assessing its own effectiveness and contribution, as well as the effectiveness and contribution of each Board committee and each individual director. Such assessments should consider:

- (a) in the case of the Board, this Mandate;
- (b) in the case of a Board committee, the committee's charter; and
- (c) in the case of an individual director, the applicable position description(s), as well as the competencies and skills each individual director is expected to bring to the Board.

## **15. Outside Advisors**

The Board is responsible for implementing a system that enables an individual director, the Board or a committee to engage an external advisor at the expense of the Company in appropriate circumstances. Unless otherwise provided in a committee charter, the engagement of the external advisor shall be subject to the approval of the Board or a committee of the Board.

## **16. Service on Other Boards, Overboarding and Interlocks**

Directors may serve on the boards of other entities, including other public entities, so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. Directors must advise the Chair in advance of accepting an invitation to serve on the board of another public entity.

In order to be able to devote the necessary time and effort to the activities of the Board and its committees, a director should not sit on a total of more than five public company boards without the prior approval of the Corporate Governance and Nominating Committee. A director who serves as a chief executive officer (or equivalent position) of a public company or similar commercial enterprise should not sit on more than two public company boards in addition to the company of which he or she is a chief executive officer without the prior approval of the Corporate Governance and Nominating Committee.

Without the prior approval of the Corporate Governance and Nominating Committee, there shall be no more than two board interlocks at any given time. An interlock occurs when two or more Board members are also fellow board members of another public company. In considering whether or not to approve having more than two directors to serve on the same board, the Corporate Governance and Nominating Committee will take into account all relevant considerations including, in particular, the total number of Board interlocks at that time.