



**ORGANIGRAM HOLDINGS INC.  
(THE “CORPORATION”)**

***CHARTER OF THE COMPENSATION COMMITTEE***

This Charter of the Compensation Committee (the “**Charter**”) was adopted by the board of directors of the Corporation (the “**Board**”) on April 9, 2020 and last reviewed on August 26, 2020.

**1. Purpose**

The Compensation Committee (the “**Committee**”) is a committee of the Board. The members of the Committee and the chair of the Committee (the “**Chair**”) are appointed by the Board on an annual basis (or until their successors are duly appointed) and the Committee is charged with reviewing, overseeing and evaluating the compensation policies of the Corporation. In addition, it is expected that the Committee will be responsible for: (a) overseeing management succession; (b) administering any securities-based compensation plans of the Corporation; (c) assessing the performance of management of the Corporation (“**Management**”); (d) reviewing and approving the compensation paid by the Corporation, if any, to the officers of the Corporation; and (e) reviewing and making recommendations to the Board concerning the level and nature of the compensation payable to directors and officers of the Corporation.

In considering compensation matters, the Committee will be guided by the following principles: (a) offering competitive compensation to attract, retain and motivate the very best qualified individuals in order for the Corporation to meet its goals; and (b) acting in the interests of the Corporation by being fiscally responsible.

**2. Composition**

- (a) The Committee should be comprised of a minimum of three directors of the Corporation.
- (b) A majority of the Committee must be independent as defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), and free from any relationship that, in the view of the Board, could be reasonably expected to interfere with the exercise of his or her independent judgment as a member of the Committee.
- (c) The Board shall designate the Chair of the Committee, who shall have responsibility for overseeing that the Committee fulfills its mandate and duties effectively. If the Board does not designate a Chair, the Committee will elect a Chair from among their members.
- (d) Any member of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee on ceasing to be a director of the Corporation. The Board may fill vacancies on the Committee by election from among the Board. If and whenever a vacancy will exist on the Committee,

the remaining members may exercise all powers of the Committee so long as a quorum remains.

### **3. Limitations on Committee's Duties**

In contributing to the Committee's discharge of its duties under this Charter, each member of the Committee will be obliged to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended or may be construed as imposing on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which any member of the Board may be otherwise subject.

Members of the Committee are entitled to rely, absent actual knowledge to the contrary, on (a) the integrity of the persons and organizations from whom they receive information, (b) the accuracy and completeness of the information provided, (c) representations and reports made by Management, and (d) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

### **4. Reports**

The Committee shall:

- (a) Report to the Board on a regular basis and before any public disclosure by the Corporation on compensation matters.
- (b) Prepare and approve any reports on executive compensation, prior to their public disclosure, as required by applicable legislation and regulation and/or pursuant to the Corporation's undertaking to provide necessary information to comply with its disclosure obligations.

### **5. Responsibilities**

The Committee shall:

#### *Engagement/Compensation of Senior Executives*

- (a) Make recommendations concerning the hiring and termination of Management.
- (b) Review and recommend to the Board for approval any special employment contracts, including employment offers, retiring allowance agreements or any agreement to take effect in the event of termination or change in control affecting any member of Management.
- (c) From time to time, as appropriate, review with the Chair of the Board, the Lead Director, if any, and Chief Executive Officer the long term goals and objectives of the Corporation in relation to compensation.
- (d) At least annually, review and approve the position description of the Chief Executive Officer and the corporate goals and objectives relevant to the

compensation of the Chief Executive Officer and evaluate the Chief Executive Officer's performance in light of those goals and objectives.

- (e) At least annually, review and make recommendations to the Board with respect to the compensation of the Chief Executive Officer and other senior executive officers of the Corporation, including incentive compensation plans, equity-based plans, the terms of any employment agreements, severance arrangements, and change of control arrangements or provisions, and any special or supplemental benefits.
- (f) Review and make recommendations to the Board with respect to the compensation of directors, including incentive compensation plans.
- (g) Review and make recommendations to the Board with respect to awards under any incentive compensation or equity-based plans of the Corporation.
- (h) Compare on an annual basis the total remuneration (including benefits) and the main components thereof for the Board with the remuneration practices of peers in the cannabis and/or pharmaceutical and/or consumer packaged goods industries.
- (i) From time to time, as appropriate, review key human resources policies and programs in place and under development related to manpower planning, Management development, succession planning, career path planning and performance evaluation and their consistency with the strategy of the Corporation.
- (j) From time to time, as appropriate, review the Corporation's policies on salary administration, recruitment, job evaluation, pay and employment equity, basic incentive and total cash compensation, retirement benefits, and long-term incentives and recommend changes to the Board if appropriate.
- (k) Review Management's policies and practices for ensuring that the Corporation complies with legal prohibitions, disclosure and other requirements on making or arranging for personal loans and amending or extending any such loans or arrangements.
- (l) Periodically review with the Board the succession plans relating to the position of the Chief Executive Officer and other senior positions and make recommendations to the Board with respect to the selections of individuals to occupy these positions.

*Other*

- (m) Take such other actions within the general scope of its responsibilities as the Committee shall deem appropriate or as directed by the Board.

**6. Meetings**

The Committee shall meet at least semi-annually and more frequently as circumstances require. All members of the Committee should strive to be at all meetings. A quorum for the transaction of business at any meeting of the Committee will be a majority of the members of the Committee or such greater number as the Committee will by resolution determine. The Committee will keep minutes of each meeting of the Committee. A copy of the minutes will be provided to each member of the Committee.

The Committee shall meet separately, periodically, with Management and may request any officer or employee of the Corporation or any of its direct or indirect subsidiaries or outside counsel to attend meetings of the Committee or with any members of, or advisors to, the Committee. The Chief Executive Officer may be present at meetings of the Committee to provide input on executive compensation other than his or her own. The Committee may form and delegate authority to individual members and subcommittees where the Committee determines it is appropriate to do so.

The Committee will determine any desired agenda items.

## **7. Annual Evaluation**

At least annually, the Committee shall, in a manner it determines to be appropriate:

- (a) Perform a review and evaluation of the performance of the Committee and its members, including the compliance of the Committee with this Charter.
- (b) Review and assess the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee believes to be appropriate.
- (c) Review and assess management's report on the effectiveness of its human resources processes, as well as compliance with the Corporation's Code of Business Conduct and Ethics, including: statistics regarding productivity, employee commitment, absenteeism, benefit plan consumption, etc., as well as compliance with regulatory employment standards and report to the Board, on the Corporation's approach to human resource management.

## **8. Resources**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to retain counsel and other experts or consultants. The Committee shall have unrestricted access to the Corporation's Management and employees as well as the books and records of the Corporation. The Committee shall have the authority to delegate its duties and responsibilities to subcommittees as it deems necessary or advisable. The Committee also shall have the authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

## **9. Inconsistencies with Applicable Laws**

In the event of any conflict or inconsistency between this Charter and the applicable laws, in each case as amended, restated or amended and restated from time to time, the provisions hereof

shall be ineffective and shall be superseded by the provisions of such applicable laws to the extent necessary to resolve such conflict or inconsistency.

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