



**METAMATERIAL INC.**  
**Human Resources and Compensation Committee Charter**

**Effective Date: 14 August 2020**

**Review Cycle: Annual**

**A. PURPOSE AND SCOPE**

**The primary function of the Human Resources and Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Metamaterial Inc. (the “Corporation”) is to exercise the responsibilities and duties set forth below, including but not limited to, determining and making recommendations with respect to all forms of compensation to be granted to the Chief Executive Officer of the Corporation, reviewing the Chief Executive Officer’s recommendations respecting compensation of the other senior executives of the Corporation, and recommending to the Board compensation for the members of the Board. The Committee also oversees succession planning for the executives of the Corporation as well as the executive talent management process.**

**B. COMPOSITION**

**The Committee shall be comprised of a minimum of three directors as appointed by the Board, all of whom shall be independent as determined in accordance with National Policy 58-201 – Corporate Governance Guidelines (“NP 58-201”) and shall otherwise meet any applicable independence and committee composition requirements under any applicable rules, regulations or policies of applicable securities regulators and stock exchanges, including, but not limited to, Canadian Securities Exchange’s (the “CSE”) requirement relating to outside and unrelated directors set out in CSE Policy 4. The Board shall consider all factors relevant to determining whether a director has a relationship to the Corporation which is material to that director’s ability to be independent from management in connection with the duties of a Committee member, including, but not limited to, the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Corporation to such director and whether such director is affiliated with the Corporation, a subsidiary of the Corporation or an affiliate of a subsidiary of the Corporation.**

**The members of the Committee (the “Members”) shall be elected by the Board at the meeting of the Board following each annual meeting of shareholders and shall serve until their successors shall be duly elected and qualified or until their earlier resignation or removal. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.**

**All Members must have a working familiarity with human resources and compensation matters and at least one member must have direct experience in executive compensation matters.**

**C. MEETINGS**

- 1. Meetings of the Committee will be held at such times and places as the Chair may determine, but in any event not less than two times per year.**
- 2. Twenty-four (24) hours advance notice of each meeting will be given to each Member orally, by telephone, by facsimile or email, unless all Members are present and waive notice, or if those absent waive notice before or after a meeting.**
- 3. Members may attend all meetings either in person, videoconferencing or by telephone.**
- 4. The Chair, if present, will act as the chair of meetings of the Committee. If the Chair is not present at a meeting of the Committee the Members in attendance may select one of their number to act as chair of the meeting.**

5. A majority of Members will constitute a quorum for a meeting of the Committee.
6. Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority. The Chair will not have a deciding or casting vote in the case of an equality of votes. Powers of the Committee may also be exercised by written resolutions signed by all Members.
7. The Committee may invite from time to time such persons as it sees fit to attend its meetings and to take part in the discussion and consideration of the affairs of the Committee.
8. The Committee should meet in camera without members of management in attendance for a portion of each meeting of the Committee.
9. In advance of every regular meeting of the Committee, the Chair, with the assistance of the Corporate Secretary, should prepare and distribute to the Members and others as deemed appropriate by the Chair, an agenda of matters to be addressed at the meeting together with appropriate briefing materials. The Committee may require officers and employees of the Company to produce such information and reports as the Committee may deem appropriate in order for it to fulfill its duties.
10. The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate.
11. The Board may remove a Member at any time and may fill any vacancy occurring on the Committee. A Member may resign at any time and a Member will automatically cease to be a Member upon ceasing to be a director. In the event of a vacancy on the Committee, the remaining members may exercise all of the powers of the Committee, so long as a quorum remains.

#### **D. RESPONSIBILITIES AND DUTIES**

To fulfill its responsibilities and duties the Committee shall:

##### **Compensation Policies and Practices**

The Committee shall conduct oversight of the Company's compensation policies and practices, and will:

1. Annually review the compensation strategy, policies and practices for the directors, the Chief Executive Officer, the Chief Financial Officer and the senior executives to ensure that they:
  - properly reflect their respective duties and responsibilities;
  - are competitive in attracting, retaining and motivating people of the highest quality and in accordance with the needs of the Corporation;
  - are designed to align the interests of the directors, the Chief Executive Officer, the Chief Financial Officer and the senior executives with shareholders and the Corporation as a whole;
  - are based on established corporate and individual performance objectives; and
  - do not encourage the taking of inappropriate or excessive risks.
2. Review and approve the Chief Executive Officer's recommendations for the annual salary, bonus, stock options, and the other benefits, direct and indirect, of the other senior executives of the Corporation.
3. Evaluate, at least once per year, the Chief Executive Officer's performance in light of the established goals and objectives and, based on such evaluation, together with all other independent members of the Committee, review and recommend to the Board for approval the

annual salary, bonus, stock options and other benefits, direct and indirect, of the Chief Executive Officer. The Chief Executive Officer shall not be present during any Committee deliberations or voting with respect to his or her compensation.

4. Prepare an annual report, in compliance with applicable securities laws for inclusion in the Corporation's management information circular and/or proxy statement to shareholders respecting the process undertaken by the Committee in its review and preparing a recommendation in respect of Chief Executive Officer compensation.
5. Review and make recommendations to the Board regarding the appropriateness of the succession plan for executive and periodic review of the implementation of such plan, including the status of development activities for key high potential individuals.
6. Review on a periodic basis the terms of and experience with the Corporation's executive compensation programs for the purpose of determining if they are properly co-ordinated and achieving the purpose for which they were designed and administered.
7. Oversee the administration of the Corporation's incentive compensation and equity-based plans in order to interpret the plans, prescribe rules, and make all determinations necessary or desirable for the administration of the plans.
8. Oversee the Corporation's compliance with any applicable rules, regulations and guidelines promulgated by applicable securities regulators, regarding executive compensation matters, including advisory votes on executive compensation ("say-on-pay") to the extent applicable, and any requirements under CSE rules relating to shareholder approval of equity compensation plans.
9. Annually review and recommend to the Board the appropriate level of director compensation, taking into consideration the relative responsibilities of the members in serving of the Board and its various committees.
10. Review the general design and make-up of the Corporation's broadly-applicable benefit programs as to their general adequacy, competitiveness, internal equity and cost effectiveness. Administer and interpret the Corporation's stock option plan and its policies respecting the grant of options thereunder, and review and recommend for approval of the Board the grant of options thereunder and the terms thereof.
11. Review and assess the adequacy of this Charter annually to ensure compliance with any rules or regulations promulgated by any regulatory body and recommend to the Board for its approval any modifications to this Charter as considered necessary.

#### **Other Duties**

12. Perform such other duties as may be assigned to it by the Board from time to time or as may be required by applicable law or regulatory authorities.
13. The Committee may delegate any or all of its functions to any of its Members or any sub-set thereof, or other persons, from time to time as it sees fit, as permitted by applicable law.
14. To the extent deemed necessary by the Committee, it shall have the authority to engage outside counsel or other advisors to review any matter under its responsibility and to pay the compensation for any advisors employed by the Committee at the cost of the Corporation without obtaining Board approval, based on its sole judgment and discretion. The Committee has the authority, without obtaining Board approval, to pay for ordinary administrative expenses deemed necessary and appropriate in carrying out its duties. The Committee shall

take into consideration factors relevant to the advisor's independence from management as **specified in NP 58-201, or as may be required by applicable regulatory authorities or legislation.**

**This Charter is a broad policy statement and is intended to be part of the Committee's flexible governance framework. While the Charters should comply with all applicable laws, regulations and listing requirements and the Company's articles and by-laws, this Charter does not create any legally binding obligations on the Committee, the Board or the Company.**