



ANAERGIA INC.

Governance, Compensation and Nominating Committee Charter

Approved by the Board of Directors on June 16, 2021

ANAERGIA INC.

(the “Company”)

Governance, Compensation and Nominating Committee Charter

1. Responsibility

The Governance, Compensation and Nominating Committee (the “Committee”) is responsible for:

- regularly assessing the effectiveness of the Company’s Board of Directors (the “Board”), each of its committees and individual members;
- identifying candidates qualified for election or appointment to the Board, other than candidates nominated by certain shareholders pursuant to the principal shareholder agreement dated June 23, 2021 between the Company and such shareholders (the “Principal Shareholder Agreement”);
- the appointment, performance, evaluation and compensation of the Company’s senior executives;
- the recruitment, development and retention of the Company’s senior executives;
- maintaining talent management and succession planning systems and processes relating to the Company’s senior management;
- developing a compensation structure for the Company’s senior executive officers including salaries, annual and long-term incentive plans including plans involving share issuances and other share-based awards;
- establishing policies and procedures designed to identify and mitigate risks associated with the Company’s compensation policies and practices;
- review and discuss at least annually the relationship between risk management and compensation, and evaluate the effectiveness of compensation policies and practices;
- assessing the compensation of the Company’s directors;
- developing benefit, retirement and savings plans;
- developing the Company’s corporate governance guidelines and principles and providing us with governance leadership;
- identifying and overseeing the recruitment of candidates qualified to be nominated as members of the Board;

- reviewing the structure, composition and mandate of Board committees; and
- performing any other activities as are consistent with this Charter, the Company's by-laws, applicable legislation, guidelines and practices as the Committee or the Board deem necessary or appropriate for the fulfillment of the Committee's duties and responsibilities.

2. Members

The Board must appoint a minimum of three directors to be members of the Committee. Each member of the Committee shall be independent in accordance with National Policy 58-201 – Corporate Governance Guidelines. The members of the Committee shall be appointed for one-year terms or such other terms as the Board may determine.

For the purpose of this Charter, a director is “independent” if he or she would be independent within the meaning of National Instrument 58-101 — *Disclosure of Corporate Governance Practices*, as the same may be amended or replaced from time to time.

3. Chair

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

4. Tenure

Each member shall hold office until his or her term as a member of the Committee expires or is terminated.

5. Quorum, Removal and Vacancies

A majority of the Committee's members shall constitute a quorum. Any member may be removed and replaced at any time by the Board with or without cause. The Board shall fill vacancies in the Committee by appointment from among the members of the Board. If a vacancy exists on the Committee, the remaining members shall exercise all powers so long as a quorum remains in office.

6. Duties

The Committee will have the duties set out below as well as any other duties that are specifically delegated to the Committee by the Board.

(a) Board Succession Plan

The Committee shall develop and maintain, as required, a Board succession plan.

(b) Establish and Assess Director Qualifications

The Committee shall from time to time establish the qualification standards for directors relating to, among other things, the competencies, skills and personal qualities that should be sought in candidates for Board membership, having in mind the skills and competencies the Board as a whole should possess. The Committee shall regularly assess the competencies and skills of the Board.

(c) Identify Candidates for Nomination as a Director

The Committee shall develop and recommend to the Board from time to time a list of candidates for Board election or appointment with a view to enhancing the independence, quality and diversity of nominees to be elected by the shareholders at the annual general meeting of shareholders. The Committee should determine if each such candidate would be an independent director.

The Chair of the Committee, with the assistance of the Chair of the Board and one or more other directors appointed by the Board, should approach candidates for Board membership including nominees put forth for nomination pursuant to the terms of the Principal Shareholder Agreement, if any, to:

- explore the candidates' interest in joining the Board and seek their consent to act as a director;
- consider what competencies and skills the Board, as a whole, should possess;
- assess the candidates' skills and competencies; and
- confirm that interested candidates understand the role of a director and the contribution a director is expected to make to the Board, including whether or not each new nominee can devote sufficient time and resources to his or her duties as a Board members.

The Committee shall from time to time consider the appropriate size of the Board with a view to facilitating effective decision-making.

(d) Orientation and Continuing Education of Directors

The Committee should take steps to satisfy itself that:

- new directors are given a comprehensive orientation and education as to the nature and operation of the Company's business, the role of the Board and its committees and the contribution and time commitment that an individual director is expected to make; and
- the Company provides appropriate continuing education opportunities for directors designed to maintain or enhance the skills and abilities of the directors and to ensure that their knowledge and understanding of the Company remains current.

(e) **Recruit Directors for Board Committees and Filling Vacancies**

The Committee will recommend to the Board those directors that the Committee considers qualified for appointment to the Audit Committee, the Governance, Compensation and Nominating Committee and other committees of the Board. Where a vacancy occurs at any time in the membership of any committee of the Board, the Committee will recommend to the Board a director to fill such vacancy.

(f) **Performance Assessment of the Board, Board Committees and Individual Directors**

The Committee will review, on an annual basis, the effectiveness and performance of the Board, and all committees of the Board.

The Committee will evaluate directors on a regular basis to assess their suitability for re-election.

(g) **Develop Approach to Governance of the Company**

The Committee has the authority and responsibility to review the Company's overall approach to governance and to make recommendations to the Board in this regard. Among other things, the Committee has the authority and responsibility to:

- develop or review the mandates and charters of the Board and committees of the Board and recommend to the Board the adoption of or amendments to such mandates or charters;
- examine the size and composition of the Board and recommend a Board size and composition that facilitates effective decision-making;
- study and recommend the implementation of structures and procedures to ensure that the Board can function independently of management and without conflicts of interest, including scheduling, at regular intervals, meetings of the Board without management present;
- develop processes and protocols for dealing with related party transactions and conflicts of interest;
- monitor the relationship between officers and the Board, and recommend a process whereby the directors will have access to, and have an effective relationship with, management of the Company;
- be available as a forum for addressing the concerns of individual directors;
- work with the Chief Executive Officer and other members of management to ensure that the Company has a healthy governance culture; and

- monitor developments in the area of governance and undertake other initiatives that may be desirable to maintain the highest standards of governance.

(h) **Code of Conduct**

The Committee shall monitor the effectiveness of the Company's Code of Conduct (the "**Code**") to confirm that it appropriately addresses, among other things, conflicts of interest, opportunities, confidentiality, fair dealing, protection and proper use of the Company's assets, compliance with applicable laws and the reporting of illegal or unethical behaviour, and also establish mechanisms to facilitate the effective operation of the Code and the granting of waivers of the Code. A copy of the Code shall be posted on the Company's website. The Committee shall approve any material waivers of the Code that are sought by directors or officers of the Company. It is acknowledged that the Audit Committee receives periodic reporting on any material matters arising from known or suspected violations of the Code.

(i) **Timely Disclosure, Confidentiality and Securities Trading Policy**

The Committee shall monitor the effectiveness of the Company's policies addressing the timely disclosure of material information, the confidentiality of material undisclosed information and the prohibitions against trading in securities of the Company and other issuers while in possession of undisclosed information that is material to the Company or other such issuers.

(j) **Succession Planning**

The Committee shall review the Company's organizational structure, consider succession planning for senior executives and recommend policies and principles for the selection and performance review of the senior executives including the Chief Executive Officer, as well as policies regarding succession in the event of an emergency or the retirement of the Chief Executive Officer and for the appointment, training and monitoring of other senior executives.

(k) **Incentive Compensation Plans and Equity-Based Plans**

The Committee shall:

- make recommendations to the Board with respect to the adoption and amendment of executive incentive compensation plans and equity-based plans, including share purchase plans and dividend reinvestment plans, if any;
- approve any employment inducement option awards or other equity compensation awards under plans approved by the Board;

- approve all stock options granted under any stock option or other equity compensation plan adopted by the Company, including the entitlement, vesting, exercise price and all other matters relating to such plans; and
- approve all senior executive compensation and incentive bonus plans and all awards under such plans.

(l) Employment Agreements

The Committee shall review and approve and, when appropriate, recommend to the Board for approval, the terms of employment of the senior executives of the Company that are directly employed by the Company and any of its subsidiaries.

(m) Assessment and Compensation of the Chief Executive Officer

The Committee shall:

- together with the Chief Executive Officer, develop a position description for the Chief Executive Officer, setting out the Chief Executive Officer's authority and responsibilities;
- oversee the duties of the Chief Executive Officer to ensure appropriate supervision and management of any potential conflicts of interest between the Chief Executive Officer, the Company and its affiliates, and the Company's shareholders;
- review and approve the corporate goals and objectives that are relevant to the compensation of the Chief Executive Officer; and
- evaluate the performance of the Chief Executive Officer in meeting his or her goals and objectives.

When determining the long-term incentive component of the compensation of the Chief Executive Officer, if any, the Committee shall consider the Company's performance, relative shareholder return and the value of similar incentive awards granted to senior executives of comparable organizations.

(n) Compensation of Senior Executives

The Committee shall approve the corporate goals, objectives and compensation of senior executives and may periodically assess the senior executive compensation in light of the Company's performance, relative shareholder return and compensation paid to senior executives of comparable organizations.

(o) Compensation of Board Members

The Committee shall review, and recommend to the Board, the compensation to be paid to the directors and to members and chairs of Board committees.

(p) **Disclosure of Executive Compensation**

The Committee shall be responsible for reviewing all public disclosure relating to executive compensation, including the Compensation Discussion and Analysis contained in the Company's management proxy circular.

7. Reporting

The Committee shall report to the Board on:

- the effectiveness of the Board and all committees of the Board, other than the Governance, Compensation and Nominating Committee;
- the approval of any stock option or other equity-based grants under any stock option or other equity compensation plan of the Company;
- all senior executive incentive bonus plans and grants thereunder;
- the review of the corporate goals and objectives relevant to the compensation of senior executives;
- the compensation of senior executives;
- any material benefit, retirement or savings plans matters;
- the compensation to be paid to directors and to the members and chairpersons of Board committees;
- the preparation of the Company's management proxy circular; and
- all other material matters dealt with by the Committee.

8. Review and Disclosure

The position descriptions for the Company's Chief Executive Officer, Chief Financial Officer, Chair of the Board, the Lead Director (as defined in the prospectus) and this Charter shall be reviewed by the Committee at least annually and be submitted to the Board for approval with such amendments as the Committee proposes. This Charter shall also be posted on the Company's website. The Committee shall conduct an annual evaluation of the performance of its duties under this Charter and shall present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.

9. Frequency of Meetings and *in camera* Sessions

The Committee shall meet as frequently as the Committee deems appropriate to accomplish its mandate. Following each meeting of the Committee, the Committee members shall meet alone in a private session (without management or others present). At each meeting, the Committee may appoint an individual to act as secretary for the meeting, who shall circulate minutes of meetings

of the Committee to its members. The Committee shall approve and retain minutes of all Committee meetings, subject to the provisions of the Company's records retention policies. The powers of the Committee may be exercised by written resolution signed by all members of the Committee.

10. Access to Information and Retention of Experts

Each of its Committees and each of its members will have full access to all of the books, records, facilities and personnel of the Company and its subsidiaries.

The Committee may engage (and shall oversee) such special executive compensation, legal, accounting or other experts (collectively, "Advisors"), and set their compensation, without Board approval and at the expense of the Company, as the Committee considers necessary to perform its duties and responsibilities under this Charter (including executive search firms to assist the Committee in identifying director candidates). The Committee shall receive appropriate funding from the Company, as determined by the Board, for the payment of compensation to its Advisors.