

## VERDE AGRITECH PLC

### BOARD OF DIRECTORS MANDATE

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The Board of Directors (the “**Board**”) of Verde AgriTech Plc (the “**Company**”) is responsible for the stewardship of the business and affairs of the Company. The Board seeks to discharge this responsibility by reviewing, discussing and approving the Company’s strategic plans, annual budgets and significant decisions and transactions as well as by overseeing the senior officers of the Company in their management of its day-to- day business and affairs. The Board’s primary role is to oversee corporate performance and assure itself of the quality, integrity, depth and continuity of management so that the Company is able to successfully execute its strategic plans and complete its corporate objectives. The composition, responsibilities, and authority of the Board are set out in this Mandate.

This Mandate and the Articles of the Company and such other procedures, not inconsistent therewith, as the Board may adopt from time to time, shall govern the meetings and procedures of the Board.

#### 1. **Composition**

- 1.1 The directors of the Company (“**Directors**”) should have a mix of competencies and skills necessary to enable the Board and Board committees to properly discharge their responsibilities.
- 1.2 The Corporate Governance and Nominating Committee will annually (and more frequently, if appropriate) recommend candidates to the Board for election or appointment as Directors, taking into account the Board’s conclusions with respect to the appropriate size and composition of the Board and Board committees, the competencies and skills required to enable the Board and Board committees to properly discharge their responsibilities, and the competencies and skills of the current Board.
- 1.3 The Board approves the final choice of candidates.
- 1.4 The shareholders of the Company elect the Directors annually.
- 1.5 The Board has determined that a majority of the Directors will be “independent” as defined by applicable Canadian laws and regulations as well as the rules of relevant stock exchanges.
- 1.6 The Board will appoint a Chair from among its members. If the Chair is not independent, the Board will designate one of the independent Directors as the Lead Director to facilitate the functioning of the Board independently of management of the Company. The Chair and, if appointed, the Lead Director, shall hold office at the pleasure of the Board until successors have been duly appointed or until the Chair or Lead Director, as applicable, resign, or are otherwise removed from office by the Board.

1.7 The Corporate Secretary of the Company, or the individual designated as fulfilling the function of Secretary of the Company, will be the secretary of all meetings and will maintain minutes of all meetings and deliberations of the Board. In the absence of the Corporate Secretary at any meeting, the Board will appoint another person who may, but need not, be a Director to be the secretary of that meeting.

## 2. Responsibilities

2.1 The Board is responsible for supervising the management of and setting strategic direction for the business and affairs of the Company and its subsidiary entities (the “**Group**”).

2.2 In discharging their responsibilities, the Directors owe the following fiduciary duties to the Company:

- (a) *a duty of loyalty*: they must act honestly and in good faith with a view to the best interests of the Company; and
- (b) *a duty of care*: they must exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

2.3 In discharging their responsibilities, the Directors are entitled to rely on the honesty and integrity of the senior officers of the Company and the independent auditors and other professional advisers of the Company, subject to the Directors’ duty of care.

2.4 In discharging their responsibilities, the Directors are also entitled to directors’ and officers’ liability insurance purchased by the Company and indemnification from the Company to the fullest extent permitted by law and the constating documents of the Company.

2.5 The Board has specifically recognized its responsibilities for:

- (a) hiring a Chief Executive Officer (the “**CEO**”) and other senior officers who it believes will act with integrity and create a culture of ethical business conduct throughout the Group;
- (b) adopting a strategic planning process and approving annually (or more frequently if appropriate) a strategic plan which takes into account, among other things, the opportunities and risks of the business of the Company;
- (c) overseeing the identification of the principal risks of the business of the Company and overseeing the implementation of appropriate systems to manage these risks;
- (d) overseeing the integrity of the internal control and management information systems of the Company;
- (e) succession planning, including (with assistance from the CEO) appointing, training, monitoring and replacing the senior officers of the Company;
- (f) ensuring that the Company operates at all times within applicable laws and regulations and to the highest ethical standards;
- (g) approving and monitoring compliance with significant policies and procedures

by which the Company is operated;

- (h) developing strong corporate governance policies and procedures for the Company;
- (i) ensuring the Company has in place a disclosure policy to enable the Company to communicate effectively with its shareholders, other stakeholders and the public generally and receive shareholder feedback;
- (j) ensuring that the Company's financial results are reported fairly and in accordance with generally accepted accounting standards; and
- (k) ensuring the timely reporting of any other developments that have a significant and material impact on the value of the Company.

2.6 It is expected that each director must be able to devote sufficient time to discharge their responsibilities effectively. In order to facilitate this, the Board has adopted a policy limiting the number of boards considered appropriate for directors, having regard to whether they are independent directors or members of management. Specifically, in the case of the CEO, he shall not sit on more than two outside public company boards in addition to that of the Company, and in the case of a non-management director, he shall not sit on more than five outside public company boards in addition to that of the Company.

2.7 Directors are expected to attend Board meetings, meetings of Board committees of which they are members and, where practicable, the annual meeting of the shareholders of the Company. Directors are also expected to spend the time needed, and to meet as frequently as necessary, to discharge their responsibilities.

2.8 Directors are expected to comply with the Code of Business Conduct and Ethics of the Company and any related policies or codes duly approved dealing with business conduct and ethics.

### **3. Authority**

3.1 The Board is authorized to carry out its responsibilities as set out in this Mandate.

3.2 The Board is authorized to retain, and to set and pay the compensation of independent legal counsel and other advisers if it considers this appropriate.

3.3 The Board is authorized to invite officers and employees of the Company and outsiders with relevant experience and expertise to attend or participate in its meetings and proceedings, if it considers this appropriate.

3.4 The Directors will have unrestricted access to the officers and employees of the Company. The Directors will use their judgment to ensure that any such contact is not disruptive to the operations of the Company and will, to the extent appropriate, advise the CEO of the Company of any direct communications between them and the officers and employees of the Company.

3.5 The Board and the Directors have unrestricted access to the advice and services of the Corporate Secretary and outside auditors and legal counsel.

- 3.6 The Board may delegate certain of its functions to Board committees, each of which may have its own charter or mandate. The following committees are currently constituted and are authorized to carry out the duties set out in their respective charters or mandates:

<u>Board Committee</u>	<u>Charter or Mandate</u>
Audit Committee	Audit Committee Charter
Compensation Committee	Compensation Committee Charter
Corporate Governance and Nominating Committee	Corporate Governance and Nominating Committee Charter

#### **4. Delegation to Management**

- 4.1 To assist the Directors in discharging their responsibilities, the Board expects management of the Company to:

- (a) review and update annually (or more frequently if appropriate) the Company's strategic plan, and report regularly to the Board on the implementation of the strategic plan in light of evolving conditions;
- (b) prepare and present to the Board annually (or more frequently if appropriate) a business plan and budget, and report regularly to the Board on the Company's performance against the business plan and budget;
- (c) report regularly to the Board on the Company's business and affairs and on any matters of material consequence for the Company and its shareholders;
- (d) speak for the Company in its communications with shareholders and the public in accordance with the Company's Disclosure Policy;
- (e) comply with any additional expectations that are developed and communicated during the annual strategic planning and budgeting process and during regular Board and Board committee meetings; and
- (f) consult the Board with respect to all matters which by law require Board approval and, specifically, as to those matters set out in any delegation of authority policy or other similar directive.

- 4.2 The Board expects the CEO to fulfill the mandate, duties and responsibilities as set out in the Position Description - Chief Executive Officer (Schedule "A").

#### **5. Meetings and Proceedings**

- 5.1 Board meetings and proceedings shall be carried out in accordance with the Company's By-Laws.

- 5.2 The Secretary or his delegate shall keep minutes of all meetings of the Board, including all resolutions passed by the Board. Minutes of meetings shall be distributed to the Directors after preliminary approval thereof by the Chair.

- 5.3 An individual who is not a Director may be invited to attend a meeting of the Board for

all or part of the meeting.

- 5.4 The independent Directors shall meet regularly *in camera* to facilitate full communication.

## **6. Self-Assessment**

- 6.1 The Board shall, together with the Corporate Governance and Nominating Committee, at least annually, assess the Board's effectiveness with a view to ensuring that the performance of the Board accords with best practices.

- 6.2 The Board shall annually review this Mandate and update it as required.

## **7. Responsibilities of Chair**

- 7.1 The Chair shall provide leadership to the Board to enhance the Board's effectiveness, including:

- (a) ensuring that the responsibilities of the Board are well understood by both management and the Board and acting as a liaison between the Board and management to ensure that relationships between the Board and management are conducted in a professional and constructive manner;
- (b) ensuring that the Board works as a cohesive team with open communication;
- (c) ensuring that the resources available to the Board (in particular, timely and relevant information) are adequate to support its work;
- (d) together with the Corporate Governance and Nominating Committee, ensuring that a process is in place by which the effectiveness of the Board and its committees (including size and composition) is assessed at least annually; and
- (e) together with the Corporate Governance and Nominating Committee, ensuring that a process is in place by which the contribution of individual Directors to the effectiveness of the Board is assessed at least annually.

- 7.2 The Chair is responsible for managing the Board, including:

- (a) preparing the agenda of the Board meetings and ensuring pre-meeting material is distributed in a timely manner and is appropriate in terms of relevance, efficient format and detail;
- (b) chairing all meetings of the Board in a manner that promotes meaningful discussion;
- (c) adopting procedures to ensure that the Board can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;
- (d) ensuring meetings are appropriate in terms of frequency, length and content;
- (e) ensuring that, where functions are delegated to appropriate committees, the functions are carried out and results are reported to the Board;

- (f) working with the Corporate Governance and Nominating Committee in approaching potential candidates once potential candidates are identified, to explore their interest in joining the Board; and
- 7.3 The Board expects the Chair to fulfill the mandate and responsibilities as set out in the position description for the Chairman of the Board (Schedule “B”).
- 7.4 The Chair is responsible for chairing the meeting of shareholders of the Company, or delegating such duty to an appropriate member of the Board or management.
- 7.5 The Chair is responsible for liaising with and, where appropriate, providing direction to the activities of the Corporate Secretary.
- 7.6 At the request of the Board, the Chair shall represent the Company to external groups such as shareholders and other stakeholders, including community groups and governments.
- 7.7 The Chair may delegate or share, where appropriate, certain of the above responsibilities with any independent committee of the Board.

Last approved: October 27, 2021

Approved by: Board of Directors

## Schedule "A"

### Position Description Chief Executive Officer

#### 1. Mandate

The Chief Executive Officer (the "**CEO**") is the senior management officer of Verde AgriTech Plc (the "**Company**"). As such, the CEO is to: be the leader of an effective and cohesive management team for the Company; set the tone for the Company by exemplifying consistent values of high ethical standards and fairness; lead the Company in defining its vision; be the main spokesperson for the Company; and, bear the chief responsibility to ensure the Company meets its short-term operational and long-term strategic goals. The CEO works with and is accountable to the Board of Directors of the Company (the "**Board**") with due regard to the Board's requirement to be informed and to be independent.

#### 2. Duties and Responsibilities

The CEO's primary duties and responsibilities are to:

- (a) foster a corporate culture that promotes ethical practices, encourages individual integrity and fulfills social responsibility;
- (b) maintain a positive work climate that is conducive to attracting, retaining and motivating a diverse group of top-quality employees at all levels;
- (c) develop and recommend to the Board long-term strategies and a vision for the Company that leads to creation of shareholder value;
- (d) develop and recommend to the Board annual business plans and budgets that support the Company's long-term strategy;
- (e) develop for approval by the Board the corporate objectives which the CEO is responsible to meet;
- (f) identify the principal risks of the Company's business and ensure the implementation of appropriate systems to manage these risks;
- (g) ensure that personnel and systems are in place so that the day-to-day business affairs of the Company are appropriately managed;
- (h) consistently strive to achieve the Company's strategic, financial and operating goals and objectives;
- (i) ensure that appropriate personnel and systems are in place for the integrity and adequacy of the Company's internal control and management information systems;
- (j) ensure that the Company achieves and maintains a satisfactory competitive position within its industry and a high standard for its products and services;
- (k) ensure, in cooperation with the Board, that there is an effective succession plan in place for the CEO position;

- (l) ensure, in cooperation with the Board, that the Company has an effective management team below the level of the CEO and has an active succession plan, including the appointment, training and monitoring of senior management;
- (m) formulate and oversee the implementation of major corporate policies;
- (n) ensure, in cooperation with the Board, that there is an effective disclosure policy for the Company;
- (o) serve as the chief spokesperson for the Company;
- (p) comply at all times with the Company's Code of Business Conduct and Ethics;  
and
- (q) ensure that Board approval is obtained for the matters requiring Board approval.

## Schedule “B”

### Position Description

#### Chairman of the Board of Directors

##### 1. Mandate

The Chairman of the Board of Directors (the “**Board**”) of Verde AgriTech Plc (the “**Company**”) takes all reasonable measures to ensure the Board fulfills its oversight responsibilities. The Chairman is responsible for the management and the effective performance of the Board, and provides leadership and direction to the Board.

##### 2. Responsibilities

In addition to the responsibilities applicable to all directors of the Company, the responsibilities of the Chairman of the Board include the following:

- (a) presiding at all meetings of the Company’s shareholders and of the Board;
- (b) assisting the Board, Board Committees and the individual directors in effectively understanding and discharging their respective duties and responsibilities;
- (c) during Board meetings, encouraging participation and discussion by individual directors, facilitating consensus, and ensuring that clarity regarding decisions is reached and duly recorded;
- (d) fostering ethical and responsible decision making by the Board and its individual members;
- (e) providing advice and counsel to the Chief Executive Officer and other senior officers of the Company;
- (f) overseeing all aspects of the Board and Board Committee functions to ensure compliance with the Company’s corporate governance practices;
- (g) overseeing an annual Board self-assessment;
- (h) ensuring independent directors regularly discuss among themselves, without the presence of management, the Company’s affairs; and
- (i) carrying out other responsibilities at the request of the Board.