

# VERDE AGRITECH LTD

## CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER

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This charter governs the operations of the Corporate Governance and Nominating Committee (the “**Committee**”) of Verde AgriTech Ltd (the “**Company**”). The purpose, composition, responsibilities, and authority of the Committee are set out in this Charter.

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

### 1. Purpose

The Committee shall provide assistance to the Board of Directors of the Company (the “**Board**”) in fulfilling their oversight responsibility to the shareholders, potential shareholders, the investment community, and others relating to:

- (a) developing corporate governance guidelines and principles for the Company;
- (b) identifying individuals qualified to be nominated as members of the Board;
- (c) the structure and composition of Board committees; and
- (d) evaluating the performance and effectiveness of the Board.

### 2. Composition

The Committee shall be composed of at least three (3) directors of the Company (the “**Members**”), each of whom is “independent” as defined by applicable Canadian laws and regulations as well as the rules of relevant stock exchanges.

All Committee Members will have a working familiarity with compensation and human resources matters and at least one member shall be experienced in executive compensation matters.

Members shall be appointed by the Board and shall serve until they resign, cease to be a director, or are removed or replaced by the Board.

### 3. Authority

The Committee is authorized to carry out its responsibilities as set out in this Charter, and to make recommendations to the Board arising therefrom.

The Committee will be granted unrestricted access to all information regarding Verde that is necessary or desirable to fulfill its duties and all directors, officers, and employees will be directed to cooperate as requested by Members.

In discharging its oversight role, the Committee is empowered to retain, at the Company's expense, independent legal, financial, compensation consulting, and other advisors, consultants and experts, to assist the Committee in fulfilling its duties and responsibilities, including sole authority to retain and to approve any such firm's fees and other retention terms without prior approval of the Board. The Committee must pre-approve any other services such as independent compensation consultants or advisors or any of their affiliates provide to the Company at the request of management.

The Company shall pay directly or reimburse the Committee for the expenses incurred by the Committee in carrying out its responsibilities.

#### **4. Responsibilities**

##### *4.1 Responsibilities with respect to Corporate Governance*

The Committee shall:

- (a) identify corporate governance standards and practices applicable to the Company and monitor new developments in corporate governance, and make recommendations to the Board periodically;
- (b) annually review the Company's corporate governance policies and practices, and monitor their ongoing application;
- (c) periodically review and make recommendations to the Board on the key corporate governance policies and practices of the Company including (but not limited to) the Board Mandate, Position Descriptions for the Chairman and Chief Executive Officer, Committee Charters, Code of Business Conduct and Ethics, Majority Voting Policy, Corporate Disclosure Policy and Securities Trading Policy and, in the Committee's discretion, recommend any changes to the Board for consideration;
- (d) in conjunction with the Chair, ensure that all corporate governance documents referred to above, are publicly disclosed on the Company's website and available to any shareholder on request;
- (e) assist the Board in reviewing and approving public disclosure with respect to corporate governance matters; and
- (f) ensure that a regular program and/or policy is put in place with respect to ongoing director education.

##### *4.2 Responsibilities with respect to the Composition of the Board and Board Committees and Appointment of the Chief Executive Officer*

The Committee shall:

- (a) annually and more frequently if appropriate, assess the 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 report the results of that assessment to the Board;

- (b) annually and more frequently if appropriate, assess the effectiveness of the Board as a whole and each Board committee, and assess whether there is a lack of competencies and skills on the Board or with respect to individual directors of the Company which results in the Board not being effective, and report the results of that assessment to the Board;
- (c) oversee the process of identifying and recruiting new candidates for election or appointment as directors of the Company, including assessing the competencies and skills of identified individuals and reporting the results of that assessment to the Board;
- (d) annually or more frequently if appropriate, recommend to the Board candidates for election or appointment as directors of the Company, 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;
- (e) annually and more frequently if appropriate, assess the *independence*, as defined by applicable Canadian and US laws and regulations as well as the rules of relevant stock exchanges, of the individual directors of the Company and report the results of that assessment to the Board;
- (f) when required, oversee the process of identifying and recruiting new candidates for appointment as Chief Executive Officer, including assessing the competencies and skills of identified individuals and reporting the results of that assessment to the Board; and
- (g) when required, expeditiously consider any resignation tendered by a director pursuant to the Majority Voting Policy in accordance with the provisions of such policy and make a recommendation to the Board whether to accept, delay accepting or reject such resignation.

#### 4.3 Responsibilities with respect to the Operation of the Board and Board Committees

The Committee shall:

- (a) periodically review the operation of the Board and Board committees, including the frequency and location of meetings, the agenda for and reports and other information provided at meetings, and the conduct of meetings, and make recommendations to the Board;
- (b) annually and more frequently if appropriate, assess the effectiveness of the relationship between the Board and the Chief Executive Officer and other senior officers of the Company, and report the results of that assessment to the Board;

- (c) periodically review the position description and authority of the Chief Executive Officer, the Chair of the Board and, if applicable, the Lead Director of the Board, and make recommendations to the Board; and
- (d) establish and approve an orientation program for new directors and a continuing education program for all directors of the Company, or provide the directors with sufficient information to familiarize them with the operations of the Company.

## **5. Chair Responsibilities**

The Chair of the Committee shall provide leadership to the Committee to enhance the Committee's effectiveness and ensure adherence to this Charter:

- (a) convene and preside over Committee meetings and ensure they are conducted in an efficient, effective, and focused manner that promotes meaningful discussion;
- (b) assist management with the preparation of an agenda and ensure that meeting materials are prepared and disseminated in a timely manner and are appropriate in terms of relevance, efficient format, and detail; and
- (c) adopt procedures to ensure that the Committee can conduct its work effectively and efficiently, including committee structure and composition and management of meetings;
- (d) ensure that the Committee has sufficient time and information to make informed decisions; and
- (e) provide leadership to the Committee and management with respect to matters covered by this mandate.

The Committee shall designate one of its Members as chair of the Committee (the "**Chair**").

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 Committee. In the absence of the Corporate Secretary at any meeting, the Committee will appoint another person who may, but need not, be a Member to be the secretary of that meeting.

## **6. Meetings and Proceedings**

The Committee shall meet as frequently as required, but not less than once per year. Any Member may call a meeting of the Committee.

The agenda of each meeting of the Committee will include input from the directors, officers, and employees of the Company as appropriate. Meetings will include presentations by

management, or professional advisers and consultants when appropriate, and will allow sufficient time to permit a full and open discussion of agenda items.

Forty-eight (48) hours advance notice of each meeting will be given to each Member verbally, by telephone or email, unless all Members are present and waive notice, or if those absent waive notice before or after a meeting. Members may attend all meetings either in person or by conference call. Any Member may call a meeting of the Committee.

The quorum for each meeting of the Committee is a majority of the Members. The Chair of the Committee shall chair each meeting. In the absence of the Chair, the other Members may appoint one of their number as chair of a meeting. The chair of a meeting shall not have a second or casting vote.

The Committee shall meet *in camera* at each meeting, as necessary, to facilitate full communication.

The Chair of the Committee or his delegate shall report to the Board following each meeting of the Committee.

The Secretary or his delegate shall keep minutes of all meetings of the Committee, including all resolutions passed by the Committee. Minutes of meetings shall be distributed to the Members and the other directors of the Company after preliminary approval thereof by the Chair of the Committee.

## **7. Self-Assessment**

The Committee and the Board shall annually assess the effectiveness of the Committee with a view to ensuring that the performance of the Committee accords with best practices.

The Committee shall review and reassess this Charter at least annually and obtain the approval of the Company's Board for any changes.

Last approved: May 11<sup>st</sup>, 2023

Approved by: Board of Directors