

**CANNTRUST HOLDINGS INC.  
COMPENSATION COMMITTEE CHARTER**

This Compensation Committee Charter (“**Charter**”) has been adopted by the Board of Directors (“**Board**”) of CannTrust Holdings Inc. (“**Corporation**”) and sets forth the purpose, composition, authority and responsibility of the Compensation Committee (“**Committee**”) of the Board.

**A. PURPOSE**

The Committee’s purpose is to assist the Board in its oversight of:

- compensation of the Corporation’s Chief Executive Officer and such other executive officers of the Corporation as the Board may determine, including policies governing salaries, incentive compensation and terms and conditions of employment;
- Management development and succession;
- Director compensation; and
- Executive compensation disclosure.

**B. ACCESS TO INFORMATION AND AUTHORITY**

In carrying out its duties and responsibilities, the Committee shall have the authority to:

- meet with and seek any information it requires from employees, officers, directors, or external parties;
- investigate any matter relating to the Corporation’s compensation practices, or anything else within its scope of responsibility;
- obtain full access to all Corporation books, records, facilities and personnel; and
- at its sole discretion and at the Corporation’s expense, retain and set the compensation of outside legal or other advisers, as necessary to assist in the performance of its duties and responsibilities.

The Corporation will provide appropriate funding, as determined by the Committee, for compensation to any advisers that the Committee chooses to engage, and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

**C. COMPOSITION AND MEETINGS**

The Board shall elect annually from among its members the Committee, which shall be composed of three or more directors as determined by the Board, each of whom shall meet all applicable standards of independence under applicable laws, regulations, rules and

guidelines, including the listing standards of the New York Stock Exchange, the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended and the requirements of a “non-employee director” pursuant to Section 16b-3 of the Securities Exchange Act of 1934, as amended, which determination of independence will be made by the Board.

The Board may remove members of the Committee at any time, with or without cause. The Chair shall be designated by the Board; provided, that if the Board does not so designate a Chair, the Committee shall choose one of its members to be its Chair by majority vote.

The Committee will meet at least quarterly, or more frequently as circumstances dictate. The Committee shall periodically meet separately with management, as required. The Committee and the Chair may invite any director, executive, employee or such other person or external adviser as it deems appropriate to attend and participate in any portion of any Committee meeting, and may exclude from all or any portion of its meetings any person it deems appropriate in order to carry out its responsibilities; provided, that the Chief Executive Officer of the Corporation may not be present during any portion of a Committee meeting in which deliberation or any vote regarding his or her compensation occurs.

The Committee will also meet before or after each regularly scheduled meeting in camera. Meetings may be held in person or by tele or video conference. The Committee may also act by unanimous written consent, whether given in writing or electronically, in lieu of a meeting.

Unless otherwise determined from time to time by resolution of the Board, a majority of members of the Committee shall constitute a quorum for the transaction of business at a meeting. For any meeting(s) at which the Committee Chair is absent, the Chair of the meeting shall be the person present who shall be decided upon by all members present. At a meeting, any question shall be decided by a majority of the votes cast by members of the Committee, except where only two members are present, in which case any question shall be decided unanimously. Unless otherwise determined by resolution of the Board, the Corporate Secretary of the Corporation or his/her delegate shall be the Secretary of the Committee. The Committee will maintain written minutes of its meetings and copies of written consents. The Committee shall report regularly to the Board.

#### **D. RESPONSIBILITIES AND DUTIES OF THE COMMITTEE**

In addition to such other duties as may from time to time be expressly assigned to the Committee by the Board, the Committee shall have the following responsibilities and duties:

1. Executive Compensation
  - (a) To review at least annually the goals and objectives of the Corporation’s executive compensation plans, and amend, or recommend that the Board amend, these goals and objectives if the Committee deems it appropriate.

- (b) To review at least annually the Corporation's executive compensation plans in light of the Corporation's goals and objectives with respect to such plans, and, if the Committee deems it appropriate, adopt, or recommend to the Board the adoption of, new, or the amendment of existing, executive compensation plans.
- (c) The Committee will review and approve the corporate goals and objectives with respect to the compensation of the Chief Executive Officer. The Committee shall evaluate at least once a year the performance of the Chief Executive Officer in light of these goals and objectives established by the Board and, based on such evaluation, shall, with appropriate input from other independent members of the Board, determine and recommend the annual compensation of the Chief Executive Officer, including, as appropriate, salary, bonus, incentive and equity compensation. The Committee may discuss the compensation of the Chief Executive Officer with the Board if it chooses to do so.
- (d) Review on an annual basis the evaluation process and compensation structure for the Corporation's executive officers and, in consultation with the Chief Executive Officer, review the performance of the other executive officers in order to make recommendations to the Board with respect to the compensation for such officers, including, as appropriate, salary, bonus, incentive and equity compensation. To the extent that long-term incentive compensation is a component of such executive officers' compensation, the Committee shall consider all relevant factors in determining the appropriate level of such compensation, including the factors applicable with respect to the Chief Executive Officer.
- (e) Assess the competitiveness and appropriateness of the Corporation's policies relating to the compensation of executive officers on an annual basis.
- (f) Review and, if appropriate, recommend to the Board the approval of, any adoption, amendment and termination of the Corporation's incentive and equity-based incentive compensation plans (and the aggregate number of shares to be reserved for issuance thereunder), and oversee their administration and discharge any duties imposed on the Committee by any of those plans.

## 2. Officers

- (a) Review, with the Chief Executive Officer, management's assessment of existing management resources and plans for ensuring that qualified personnel will be available as required for succession to officers and other management personnel, and to report on this matter to the Board when appropriate.

- (b) Oversee the selection of any benchmark group used in determining compensation or any element of compensation.
3. Director Compensation Review, on at least an annual basis, the form and amount of compensation for members of the Board and committees thereof, taking into account their responsibilities and time commitment and information regarding the compensation paid at peer companies, and making recommendations to the Board with respect to changes when appropriate.
4. Compensation Disclosure Prior to its public disclosure, review and discuss with management the Corporation's Compensation Discussion & Analysis and related executive compensation disclosure for inclusion in the Corporation's public disclosure documents, in accordance with applicable rules and regulations and, if appropriate, recommend to the Board the approval and disclosure of such information, and furnish the required Compensation Committee report for inclusion in the Corporation's Annual Report in accordance with applicable law.
5. Other Responsibilities
  - (a) Report regularly to the Board regarding the execution of the Committee's duties and responsibilities, activities, any issues encountered, and related recommendations.
  - (b) Perform any other activities consistent with this Charter, the Corporation's bylaws, and governing laws that the Board or Committee determines are necessary or appropriate.

#### **E. INVESTIGATIONS AND STUDIES; OUTSIDE ADVISERS**

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other adviser. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel or other adviser retained by the Committee, the expense of which shall be borne by the Corporation. The Committee may select a compensation consultant, legal counsel or other adviser to the Committee only after taking into consideration all factors relevant to that person's independence from management, including the following:

- the provision of other services to the Corporation by the person that employs the compensation consultant, legal counsel or other adviser;
- the amount of fees received from the Corporation by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;

- the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- any shares of the Corporation owned by the compensation consultant, legal counsel or other adviser; and
- any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Corporation.

The Committee shall conduct the independence assessment with respect to any compensation consultant, legal counsel or other adviser that provides advice to the Committee.

Nothing herein requires a compensation consultant, legal counsel or other compensation adviser to be independent, only that the Committee consider the enumerated independence factors before selecting or receiving advice from a compensation consultant, legal counsel or other compensation adviser. The Committee may select or receive advice from any compensation consultant, legal counsel or other compensation adviser it prefers, including ones that are not independent, after considering the independence factors outlined above.

Nothing herein shall be construed: (i) to require the Committee to implement or act consistently with the advice or recommendations of the compensation consultant, legal counsel or other adviser to the Committee; or (ii) to affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties.

## **F. DELEGATION OF AUTHORITY**

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; provided, however, that no subcommittee shall consist of fewer than two members; and provided further that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

## **G. RESPONSIBILITIES AND DUTIES OF THE CHAIR**

The Chair shall have the following responsibilities and duties:

- chair meetings of the Committee;
- in consultation with the Board Chair and the Secretary, determine the frequency, dates and locations of meetings of the Committee;

- in consultation with the Chief Executive Officer, the Chief Financial Officer and others as required, review the annual work plan and the meeting agendas so as to bring all required business before the Committee;
- in consultation with the Board Chair, ensure that all items requiring the Committee's approval are appropriately tabled;
- report to the Board on the matters reviewed by, and on any decisions or recommendations of, the Committee at the next meeting of the Board following any meeting of the Committee; and
- carry out any other or special assignments or any functions as may be requested by the Board.

## **H. LIMITATION ON COMMITTEE'S DUTIES**

The Committee shall discharge its responsibilities, and shall assess the information provided by the Corporation's management and the external advisers, in accordance with its business judgment. Members of the Committee are entitled to rely, absent knowledge to the contrary, on the integrity of the persons and organizations from whom they receive information, and on the accuracy and completeness of the information provided.

Nothing in this Charter is intended or may be construed as imposing on any member of the Committee or the Board a standard of care or diligence that is in any way more onerous or extensive than the standard to which the directors are subject under applicable law. This Charter is not intended to change or interpret the amended articles of incorporation or by-laws of the Corporation or any federal, provincial, state or exchange law, regulation or rule to which the Corporation is subject, and this Charter should be interpreted in a manner consistent with all such applicable laws, regulations and rules. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision contained herein is intended to give rise to civil liability to securityholders of the Corporation or other liability whatsoever.

Any action that may or is to be taken by the Committee may, to the extent permitted by law or regulation, be taken directly by the Board.

## **I. EVALUATION OF COMMITTEE**

The Committee shall, on an annual basis, review and evaluate its performance. In conducting this review, the Committee shall address such matters that the Committee considers relevant to its performance and evaluate whether this Charter appropriately addresses the matters that are or should be within its scope. The review and evaluation shall be conducted in such a manner as the Committee deems appropriate.

The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its review and evaluation, including any recommended changes to this Charter and any recommended changes to the Corporation's or the Board's policies or procedures, as it deems necessary or appropriate.