



**ASCEND WELLNESS HOLDINGS, INC.**

**COMPENSATION AND CORPORATE GOVERNANCE  
COMMITTEE CHARTER**

**Adopted: April 27, 2021**  
**Last Updated: January 31, 2024**

The Board of Directors (the “**Board**”) of Ascend Wellness Holdings, Inc. (the “**Company**”) has established a Compensation and Corporate Governance Committee (the “**Committee**”).

**1. Purpose**

The purpose of the Committee is to assist the Board as follows:

- (i) administering the Company’s executive and director compensation program with due consideration to any pertinent risks;
- (ii) succession planning for executive management, in development and retention of senior management;
- (iii) reviewing the performance of senior management;
- (iv) reviewing and recommending individual compensation for the Chief Executive Officer and other executive officers;
- (v) fulfilling its duties relating to related party transactions and other matters involving conflicts of interest;
- (vi) carrying out the responsibilities delegated to the Committee by the Board relating to the Company’s orientation and continuing education for directors;
- (vii) carrying out the responsibilities delegated to the Committee by the Board relating to the Company’s director nominations process and procedures and size, composition and structure of the Board and its committees;
- (viii) promoting a culture of integrity throughout the Company;
- (ix) developing and maintaining the Company’s corporate governance policies and any related matters required by applicable laws; and
- (x) any additional matters delegated to the Committee by the Board.

The Committee shall make its determinations and recommendations in accordance with policies that may be approved by the Board from time to time.

## 2. Duties and Responsibilities

The Committee's responsibilities shall include the following:

(i) Compensation Matters

1. reviewing and recommending to the Board the Company's compensation policies, and reviewing such policies on a periodic basis, and at least once annually, to ensure they remain current, competitive and consistent with the Company's overall goals;
2. reviewing and approving at least annually corporate goals and objectives relevant to the Chief Executive Officer's compensation, evaluating the Chief Executive Officer's performance in light of those corporate goals and objectives, and making recommendations to the Board with respect to the Chief Executive Officer's compensation level (including salary, incentive compensation plans and equity-based plans) based on this evaluation and based on any recent stockholder advisory vote on executive compensation as required by Section 14A of the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), as well as making recommendations to the Board with respect to any employment, severance or change of control agreements for the Chief Executive Officer;
3. reviewing, on at least an annual basis, the form and amount of compensation for members of the Board and committees thereof, and making recommendations to the Board with respect to the adequacy and form of such compensation payable to and benefits of directors in their capacity as directors (including Board and committee retainers, meeting and committee fees, incentive compensation plans, and equity-based plans), so as to ensure that such compensation realistically reflects the responsibilities and risks involved in being an effective director;
4. considering the implications of risks associated with the Company's compensation policies and practices and the steps that may be taken to mitigate any identified risks;
5. reviewing and approving executive compensation disclosure before the Company publicly discloses such information, including disclosure set out in the Company's proxy statement and annual report, as applicable;
6. reviewing and approving on an annual basis management's succession plans for executive management, including specific development plans and career planning for potential successors, updating the Company's organization chart showing the reporting chain and defining the allocation of corporate responsibilities, and recommending the succession plan to the Board;
7. reviewing, 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 reporting on this matter to the Board when appropriate;

8. developing and maintaining a Board succession plan that is responsive to the Company's needs and the interests of stockholders;
9. reviewing and approving for executive officers, other than the Chief Executive Officer, all compensation (including salary, incentive compensation plans and equity-based plans) taking into account each executive officer's performance in light of the Company's goals and objectives and the most recent stockholder advisory vote on executive compensation as required by Section 14A of the Exchange Act, and any employment, severance or change in control agreements;
10. reviewing the voting results of any non-binding, advisory proposal voted on by the Company's stockholders to approve the compensation of the Company's named executive officers required by Section 14A of the Exchange Act (a "**Say-on-Pay Vote**"), if applicable, and based on the results of any Say-on-Pay Vote, recommending to the Board any adjustments to the Company's executive compensation policies and guidelines;
11. reviewing, approving if appropriate, and recommending to the Board for approval compensatory grants pursuant to the Company's compensation plans after considering the results of the most recent Say-on-Pay Vote, if applicable;
12. reviewing the voting results of any non-binding, advisory proposal voted on by the Company's stockholders regarding the frequency of Say-on-Pay Votes required by Section 14A of the Exchange Act (a "**Say-on-Frequency Vote**"), if applicable, and based on the results of any Say-on-Frequency Vote, recommending to the Board the frequency with which the Company should conduct a Say-on-Pay Vote; and
13. overseeing the selection of any benchmark group used in determining compensation or any element of compensation.

(ii) Nomination Matters

1. determining the qualifications, qualities, skills, and other expertise required to be a director and to develop, and recommend to the Board for its approval, criteria to be considered in selecting nominees for directorships (the "**Director Criteria**"), which will reflect, among other things:
  - (i) competencies, skills and personal qualities that the Board considers to be necessary for the Board, as a whole, to possess;
  - (ii) competencies, skills and personal qualities that the Board considers each existing director to possess;

- (iii) competencies, skills and personal qualities that each new director would bring to the Board; and
  - (iv) responsibilities that would materially interfere with or be incompatible with Board membership;
2. identifying and screening individuals qualified to become members of the Board, consistent with the Director Criteria. The Committee shall consider any director candidates recommended by the Company's stockholders pursuant to the applicable procedures as described in the Company's proxy statement. The Committee shall also consider any nominations of director candidates validly made by stockholders in accordance with applicable laws, rules and regulations and the provisions of the Company's charter documents;
  3. making recommendations to the Board regarding the selection and approval of the nominees for directorships to be submitted to a stockholder vote at the annual meeting of stockholders, subject to approval by the Board. In making its recommendations to the Board, the Committee will provide an assessment of whether each candidate is or would be: (i) independent under applicable laws, regulations, rules and guidelines; and (ii) "financially literate" as defined in National Instrument 52-110 – *Audit Committees*;

(iii) Board Composition, Size and Structure

1. developing, subject to approval by the Board, a process for an annual evaluation of the Board and its committees and overseeing the conduct of this annual evaluation;
2. reviewing the Board's committee structure and composition and making recommendations to the Board regarding the appointment of directors to serve as members of each committee and committee chair annually;
3. if a vacancy on the Board and/or any Board committee occurs, identifying and making recommendations to the Board regarding the selection and approval of candidates to fill such vacancy either by election by stockholders or appointment by the Board;
4. developing and overseeing a Company orientation program for new directors and a continuing education program for current directors and periodically reviewing these programs and updating them as necessary;
5. reviewing all director compensation and benefits for service on the Board and Board committees at least once a year and recommending any changes to the Board as necessary;
6. developing and recommending to the Board for approval any director independence standards in addition to those required by the Canadian Securities Exchange, and any other exchanges and/or marketplaces on which the securities of the Company may be quoted or listed for trading, to

determine whether a director has a relationship with the Company that would impair its independence;

7. reviewing any director resignation letter tendered in accordance with the Company's director resignation policy, and evaluating and recommending to the Board whether such resignation should be accepted;

(iv) Corporate Governance Matters

1. developing and recommending to the Board a set of corporate governance guidelines applicable to the Company, reviewing these principles at least once a year and recommending any changes thereto to the Board;
2. overseeing the Company's corporate governance practices and procedures, including identifying best practices and reviewing and recommending to the Board for approval any changes to the documents, policies and procedures in the Company's corporate governance framework, including its certificate of incorporation and by-laws, as each may be amended from time to time;
3. developing and recommending to the Board for approval a Company policy for the review and approval of related party transactions and reviewing, approving and overseeing any transaction between the Company and any "related person" (as defined in Item 404 of Regulation S-K under the United States Securities Act of 1933, as amended ("**Regulation S-K**")) that is not required to be dealt with by an "independent special committee" pursuant to applicable securities law rules on an ongoing basis in accordance with the Company's related party transaction approval policy; *provided*, that any member of the Committee who is a party to or has a potential conflict of interest in a proposed transaction, or who has a material interest in any related party transaction or is a party to a related party transaction, must abstain from any vote on that transaction;
4. reviewing and discussing with senior management disclosure of the Company's corporate governance practices and policies, including information regarding the operations of the Committee and other Board committees, director independence and the director nominations process, and recommending that this disclosure be included in the Company's proxy statement and/or annual report, as applicable;
5. reviewing the charter of each of the Board's committees and recommending any amendments to the Board;
6. reviewing the position description for the Chair and recommending any amendments to the Board;
7. developing and recommending to the Board for approval a Company Code of Business Conduct and Ethics (the "**Code**"), monitoring compliance with the Code, investigating any alleged breach or violation of the Code, enforcing the provisions of the Code and reviewing the Code periodically and recommending any changes to the Board. The Code will be posted on

the Company's website and management information circulars of the Company will state that the Code is available on the website or is available in print to any stockholder who requests a copy;

8. working with the Chief Executive Officer and other members of senior management to foster a healthy corporate governance culture within the Company;
9. monitoring developments in the area of corporate governance and recommending initiatives that will help the Company maintain high standards of corporate governance;
10. overseeing the Company's strategy on corporate social responsibility and sustainability, including evaluating the impact of Company practices on communities and individuals, developing and recommending to the Board for approval policies and procedures relating to the Company's corporate social responsibility and sustainability activities, and developing and monitoring ongoing compliance with the Company's corporate responsibility and sustainability program[, including review of annual sustainability disclosure issued by the Company];
11. developing and recommending to the Board for approval a policy on Company political contributions and lobbying expenses, receiving and reviewing an annual report on the Company's political contributions and lobbying expenses, and reviewing the policy periodically and recommending to the Board any changes to the policy based on the most recent report;
12. overseeing the Company's engagement strategy and efforts with stockholders and other key stakeholders, including proxy advisory firms, non-governmental organizations, and key environmental, social and governance ratings agencies;
13. reviewing and monitoring the Company's compliance with applicable human rights laws; and
14. reviewing and monitoring the Company's human resources strategies for consistency with the Company's vision, mission and core values.

(v) General

1. any other activities consistent with this Charter, the Company's by-laws, and governing laws that the Board or Committee determines are necessary or appropriate; and
2. such other powers and duties as delegated to it by the Board in order to carry out its responsibilities.

### **3. Director Nomination Qualifications**

The Committee will formulate and administer the Director Criteria for identifying, evaluating and recommending director candidates to stand for election at a meeting of stockholders or to fill a vacancy existing on the Board.

### **4. Appointment and Term of Committee Members**

The members of the Committee shall be appointed by the Board on the recommendation of the Committee. The members of the Committee shall be appointed annually at the time of each annual meeting of stockholders, and shall hold office until the next annual meeting, or until they are removed by the Board or their successors are earlier appointed, or until they cease to be directors of the Company.

### **5. Composition of Committee/Member Qualifications**

The Committee shall have at least three members. A majority of the members of the Committee shall be independent in accordance with (i) the rules of the Canadian Securities Exchange, and the rules and regulations of any other exchanges and/or marketplaces on which the securities of the Company may be quoted or listed for trading, and (ii) any of the Company's independence guidelines applicable to members of the Committee.

### **6. Vacancies**

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board on the recommendation of the Committee and shall be filled by the Board on such recommendation if the Committee is composed of fewer than three directors. If a vacancy exists on the Committee, the remaining members will exercise all of its powers so long as a quorum remains in office. The Board may remove and replace any member of the Committee at any time and upon removal, a Committee member will automatically cease to be a member as soon as he or she ceases to meet the qualifications set out above.

### **7. Committee Chair**

The Chair of the Committee (the "**Chair**") shall be selected by the Board on the recommendation of the Committee; *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. If the Chair is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside as Chair at the meeting.

Among other responsibilities, the Chair should:

- (i) provide leadership to the Committee and oversee the functioning of the Committee;
- (ii) set the agenda for each meeting of the Committee with input from other members of the Committee, the chair of the Board and any other appropriate individuals;
- (iii) act as a liaison, and maintain communication, with the chair of the Board and the Board to coordinate input from the Board and to optimize the effectiveness of the Committee;

- (iv) ensure appropriate information is provided to the Committee by senior management of the Company to enable the Committee to function effectively and comply with this mandate;
- (v) ensure that appropriate resources and expertise are available to the Committee; and
- (vi) perform such other duties as may be delegated to the Chair by the Committee or the Board from time to time.

## **8. Secretary of the Committee**

The Corporate Secretary of the Company shall be the secretary at each meeting of the Committee. If the Corporate Secretary is not able to attend the meeting, or is specifically requested not to attend an in-camera meeting or portion thereof, the Committee shall, at the start of the meeting or portion thereof, appoint a secretary who need not be a director of the Company for the purposes of recording the minutes of the meeting or portion of the meeting.

## **9. Meetings**

The Chair, in consultation with the Committee members, shall determine the schedule and frequency of the Committee meetings, *provided* that the Committee shall meet at least once per fiscal quarter. The Committee may at any time meet with the Chief Executive Officer to discuss any matters that the Committee or Chief Executive Officer believes should be discussed. The Chief Executive Officer may not be present during the Committee's voting or deliberations regarding the Chief Executive Officer's compensation. The Committee may at any time, and at each regularly scheduled Committee meeting shall, meet without management present.

The Chair, any two members of the Committee or Chief Executive Officer of the Company may call a special meeting of the Committee.

The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. Meetings will be held at a location determined by the Chair of the Committee. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

Each member is expected to attend all meetings.

## **10. Agenda**

The Chair shall approve the Committee's agenda for each meeting. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent practical, be communicated to the members of the Committee sufficiently in advance of each meeting to permit meaningful review. Any member may propose the inclusion of items on the agenda, request the presence of or a report by any member of senior management, or at any meeting raise subjects that are not on the agenda for the meeting.

## **11. Attendance of Officers and Employees at a Meeting**

At the invitation of the Chair, one or more officers or employees of the Company may, and if required by the Committee shall, attend a meeting of the Committee.

## **12. Outside Consultants or Advisors**

The Committee, when it considers it necessary or advisable, may retain, at the Company's expense, outside consultants or advisors to assist or advise the Committee independently on any matter within its mandate. Prior to any engagement, the Committee shall take into account the independence of such consultants or advisors, including as required pursuant to Rule 10C-1(b)(4) under the Exchange Act. The Committee shall also evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K.

Any director may, with the prior approval of the Chair of the Board, engage an outside advisor at the reasonable expense of the Company in circumstances where such director and the Chair of the Board determine that it is appropriate in order for such director to fulfill his or her responsibilities as director, *provided* that the advice sought cannot properly be provided through the Company's management or through the Company's advisors in the normal course. If the Chair of the Board is not available in the circumstances or determines that it is not appropriate for such director to so engage outside counsel, the director may appeal the matter to the Committee, whose determination shall be final.

The Committee shall set the compensation and oversee the work of outside counsel, consultants and any other advisors it engages. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to any consultants, outside counsel and any other advisors it engages.

## **13. Delegation of Authority**

To the extent permitted by applicable law, the Committee shall have the power to delegate its authority and any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees or individual members of the Committee as the Committee deems appropriate in its sole discretion.

## **14. Annual Evaluation**

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. The Committee will also review this Charter at least annually and submit it to the Board for approval together with such amendments as it deems necessary and appropriate.

## **15. Limitations on the Committee's Duties**

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 to under applicable law. This Charter is not intended to change or interpret the certificate of incorporation or bylaws of the Company, as

each may be amended from time to time, or any federal, provincial, state, exchange or marketplace law, regulation or rule to which the Company 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 Company 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.

#### **16. Availability of this Charter**

This Charter will be posted on the Company's website and each annual report of the Company will state that this Charter is available on the website or is available in print to any stockholder who requests a copy.