



Notice of Annual Meeting of Shareholders

and

Management Information Circular

March 26, 2024

ECOSYNTHETIX INC.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders (the “**Meeting**”) of EcoSynthetix Inc. (“**EcoSynthetix**” or the “**Company**”) will be held at the offices of the Company at 3365 Mainway, Burlington, Ontario L7M 1A6 on May 14, 2024 at 1:00 p.m. (Eastern Daylight time), for the following purposes:

- (a) to receive and consider the audited consolidated financial statements of the Company for the year ended December 31, 2023 and the report of the auditors thereon;
- (b) to appoint PricewaterhouseCoopers LLP, Chartered Professional Accountants, as auditors of the Company for the ensuing year and to authorize the directors to fix their remuneration;
- (c) to elect directors of the Company for the ensuing year; and
- (d) to transact such other business as may properly come before the Meeting or any adjournment thereof.

Shareholders who are unable to attend the Meeting are requested to complete, date, sign and return the enclosed form of proxy or voting instruction form, as applicable, so that as large a representation as possible may be had at the Meeting.

The Board of Directors has by resolution fixed the close of business on March 25, 2024 as the record date, being the date for the determination of the registered holders of common shares entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof. The Board of Directors has by resolution fixed, 1:00 p.m. (Eastern Daylight time) on May 10, 2024, or no later than 48 hours before the time of any adjourned Meeting (excluding Saturdays, Sundays and holidays), as the time before which proxies to be used or acted upon at the Meeting or any adjournment thereof shall be deposited with the Company’s transfer agent. Late proxies may be accepted or rejected by the Chair of the Meeting in his discretion, and the Chair is under no obligation to accept or reject any particular late proxy.

All shareholders of the Company are strongly encouraged to vote prior to the Meeting by any of the means described on pages 3 and 4 of the management information circular (the “**Circular**”) that accompanies this notice. In the event that shareholders are unable to attend the Meeting in person, the Company encourages shareholders to access the Meeting via telephone conference call. This can be done by visiting the following URL: <https://emportal.ink/3SRvOaE> and registering your contact details. Shareholders will then be contacted by phone and connected to the Meeting instantly. Alternatively, shareholders can access the telephone conference call by dialling 1-416-764-8659 (Local) or 1-888-664-6392 (toll-free in North America), passcode: 45364289. This conference call will give shareholders an equal opportunity to access the Meeting regardless of their geographic location. Shareholders attending the Meeting by telephone conference call will be able to listen to the Meeting and ask questions but will not be able to vote over the phone.

As described in the notice-and-access notification mailed to shareholders, the Company is using the notice-and-access provisions (“**Notice-and-Access**”) under National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations* to distribute this notice and the Circular to shareholders. Notice-and-Access allows the Company to post electronic versions of its proxy-related materials online, rather than mailing paper copies to shareholders. The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and it will also reduce the Company’s printing and mailing costs. Note that shareholders still have the right to request paper copies of the proxy-related materials posted online by the Company under Notice-and-Access if they so choose.

This notice, the Circular and other proxy-related materials are available under the Company’s profile on SEDAR+ at www.sedarplus.ca, on the Company’s website at www.ecosynthetix.com and at the following website: www.meetingdocuments.com/TSXT/ECO. As noted above, the Company’s registrar and transfer agent, TSX Trust Company, will provide to any shareholder, free of charge, a paper copy of this notice and the Circular upon request at 1-888-433-6443 (toll-free North American) or 416-682-3801 (outside North America) or by email at tsxt-fulfilment@tmx.com up to one year from the date the Circular is filed on

SEDAR+. Shareholders who wish to receive a paper copy of this notice and the Circular in advance of the Meeting should make such request by no later than April 26, 2024 in order to allow reasonable time to receive and review this notice and the Circular prior to the proxy deadline of 1:00 p.m. (Eastern Daylight time) on May 10, 2024. This notice and the Circular will be sent to shareholders within three business days of their request if such request is made prior to the date of the Meeting. Following the Meeting, the Circular will be sent to such shareholders within 10 days of their request.

Shareholders will receive a paper copy of a notice package (the “**Notice Package**”) under Notice-and-Access via pre-paid mail containing: (i) a notification regarding the Company’s use of Notice-and-Access and how the proxy-related materials may be obtained, (ii) a form of proxy (if you are a registered shareholder) or a voting instruction form (if you are a non-registered shareholder), and (iii) a request for financial statements form pursuant to which shareholders can elect to receive paper copies of the Company’s financial statements and management’s discussion and analysis.

The Company reserves the right to take any additional measures it deems necessary or advisable in relation to the Meeting, including changing the time, date or location of the Meeting. Changes to the Meeting time, date or location and/or means of holding the Meeting may be announced by way of press release. Please monitor the Company’s press releases as well as its website at www.ecosynthetix.com for updated information. The Company advises you to check its website one week prior to the Meeting date for the most current information. The Company does not intend to prepare or mail an amended management information circular in the event of changes to the Meeting format.

DATED at Burlington, Ontario this 26th day of March, 2024.

By Order of the Board of Directors

“Paul Lucas”

Name: Paul Lucas

Title: Chair of the Board of Directors



MESSAGE FROM THE CHAIR OF THE BOARD OF DIRECTORS AND THE CEO

Dear Shareholder:

On behalf of the Board of Directors of EcoSynthetix Inc. (“we”, “our”, “us”, “EcoSynthetix” or the “Company”), we are pleased to invite you to our 2024 annual meeting of shareholders, to be held at 1:00 p.m. (Eastern Daylight time) on May 14, 2024. While we will be live in person at our corporate headquarters in Burlington, Ontario, we strongly encourage that shareholders vote their shares in advance of the meeting and participate in the meeting through the conference call. Shareholders attending the Meeting by telephone conference call will be able to listen to the Meeting and ask questions but will not be able to vote over the phone.

The items of business to be considered at the meeting are described in the Notice of Annual Meeting of Shareholders and the accompanying management information circular.

Strategy

The Company is commercializing DuraBind™ resin within the building materials space, Surflock™ strength aids within the paperboard, pulp and tissue markets, and Bioform™ all-natural ingredients within the personal care space. These products are positioned to help global leaders in these markets achieve their increasingly aggressive sustainability and climate goals.

The Company believes it is positioned for a return to topline growth with profitable bottom line performance. Management expects to continue making investments in areas of the business that allow it to accelerate growth while retaining a disciplined approach toward its cost structure. The Company remains confident in its ability to execute on the opportunities it has identified in the wood composites, paperboard, pulp and tissue, and personal care end markets. Management believes it can leverage its next steps in growth and continue its cost discipline to deliver long-term value to its shareholders.

EcoSynthetix is focused on the following core priorities to drive sustainable growth and profitability.

- **Execute our commercial strategy to diversify across multiple end markets** – The Company goes to market with a focused offering of sustainable bio-based polymers to displace petro-based chemicals. The contributions from the wood composites, paperboard, pulp and tissue, and personal care end markets are already, and will continue to be, the primary drivers of growth. The legacy graphic paper end market, on which the business was established, has demonstrated the Company’s ability to offer performance and cost savings at scale, and provides some valuable foundational relationships for new products in the pulp, tissue and paperboard industry; but with increasing digitization, graphic paper is already, and will continue to be, a declining portion of revenue.
- **Drive growth in paperboard, pulp and tissue** – The Company’s relationships with key customers in the paperboard, graphic paper, pulp, and tissue markets provide a strong foundation for its business and EcoSynthetix will continue to pursue growth opportunities in these markets, specifically in the paperboard, pulp and tissue categories. Multiple accounts are commercial today with Surflock™ strength aids. Trial activity and the opportunity pipeline for Surflock™ continues to build, including with global leaders that have conducted multiple trials.
- **Drive growth in wood composites markets** – A top 15 global manufacturer of wood composite products that is backward integrated into a leading international retailer uses DuraBind™ resin commercially at one of its manufacturing lines. The international retailer has identified the use of bio-based glues as a key driver of its sustainability objectives. Opportunities to expand the usage of DuraBind™ exist at the retailer’s other manufacturing lines and across the other supply chain partners it buys from, as well as other global wood composites manufacturers. The Company

believes it is well-positioned to capitalize on the carbon footprint and air quality benefits DuraBind™ offers to rapidly grow its share of the \$15 billion annual wood composite binder market.

- **Drive growth in personal care markets** – Dow Chemicals (“Dow”) has an exclusive agreement with EcoSynthetix to bring innovative bio-based, biodegradable and low-carbon solutions to the personal care industry based on the Company’s Bioform™ biopolymer technology. The Dow and EcoSynthetix engagement currently includes the Dow MaizeCare™ polymers portfolio which addresses multiple applications including hair gel, liquid hair gel, hair styling jelly and pump hair spray. Beyond hair care, these all-natural ingredients can also be leveraged to provide a variety of benefits in color cosmetic applications.
- **Product Development** – The Company’s product development efforts focus on applications for its existing DuraBind™, Surflock™, and Bioform™ biopolymer products in market segments where their value proposition is strong, and on further improvements to the product lines to further enhance value and expand addressable opportunities. The Company is also pursuing new product categories in specific markets where strong commercial interest from recognized leaders exists.

A more detailed discussion on our strategy is provided in our 2023 Annual Information Form dated February 27, 2024, which is available for download on www.sedarplus.ca.

Corporate Governance

We are committed to remaining at the forefront of good governance and we recognize the importance of appropriate corporate governance to our effective management. We continuously monitor and review our governance practices for areas of potential improvement and we have made positive adjustments over the past few years to further align our interests with those of our shareholders.

Additional details on our governance practices are included in the accompanying management information circular. Please take time to read our management information circular and remember to vote your shares.

On behalf of the Board of Directors and management, we would like to thank our shareholders for the patience and commitment you have shown and your continued belief in our growth potential.

Sincerely,

“Paul Lucas”

Chair of the Board of Directors

“Jeff MacDonald”

Chief Executive Officer and Director

** Certain statements made in this letter in respect of the anticipated operational results and future business prospects of EcoSynthetix Inc. may constitute “forward-looking information” within the meaning of securities laws applicable in Canada. For further information, see “*Information Concerning Forward-Looking Statements*” in the Company’s management information circular which accompanies this letter.

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MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES AND VOTING INSTRUCTIONS

The information contained in this management information circular is furnished in connection with the solicitation of proxies by management of EcoSynthetix Inc. (the “**Company**”) from registered holders of common shares of the Company (the “**Common Shares**”) (and of voting instructions in the case of non-registered holders of Common Shares) to be used at the annual meeting of shareholders of the Company to be held at 1:00 p.m. (Eastern Daylight time) on May 14, 2024 at the offices of the Company at 3365 Mainway, Burlington, Ontario L7M 1A6 (referred to throughout this management information circular as the “**Meeting**”, unless context dictates otherwise), and at all adjournments or postponements of the Meeting, for the purposes set forth in the accompanying notice of annual meeting of shareholders.

Unless otherwise stated, the information contained in this management information circular is given as at March 26, 2024.

EXCHANGE RATE AND CALCULATION OF AMOUNTS

All dollar amounts referenced herein, unless otherwise indicated, are expressed in United States dollars (denoted in this management information circular as “\$” or “U.S. dollars”). Unless otherwise stated, any U.S. dollar amounts which have been converted from Canadian dollars (denoted in this management information circular as “C\$”) to U.S. dollars have been converted at a rate of US\$1.00 = C\$1.35 (being the daily average exchange rate for Canadian dollars in terms of United States dollars for the financial year ended December 31, 2023) (the “**Annual Exchange Rate**”). Certain historical financial figures have, where indicated, been converted using an exchange rate of US\$1.00 = C\$1.30 for the financial year ended December 31, 2022 (the “**2022 Annual Exchange Rate**”) and an exchange rate of US\$1.00 = C\$1.25 for the financial year ended December 31, 2021 (the “**2021 Annual Exchange Rate**”). All average exchange rate data was sourced from the Bank of Canada.

Totals and other figures presented in this management information circular may not add due to rounding.

INFORMATION CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements made in the letter of the Chair of the Board and the management information circular in respect of the Company’s growth strategy, operations and future business prospects may constitute “forward-looking information” within the meaning of securities laws applicable in Canada (“**forward-looking statements**”). These forward-looking statements include those made in respect of the effect of the Company’s commercialization and diversification strategy and the nature and growth of its end markets, the expanding usage of the Company’s products by its existing and future customers, the nature, benefits and pace of the Company’s innovation and development initiatives, the effect of the Company investments in its supply chain infrastructure, the effect of the Company’s leadership and corporate governance changes, the achievement of the Company’s carbon commitment goals as set out in its ESG Policy (as defined herein). Forward-looking statements are based on the opinions and assumptions of the Company’s management as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause actual results to be materially different from any other results expressed or implied by the forward-looking statements. The material assumptions applied in reaching the conclusions contained within forward-looking statements include, among others, that the Company’s intellectual property rights will be protected, the continued lack of direct competition, and the ability of the Company to successfully implement its operational and growth strategies. Risks which may cause actual results to materially differ from the conclusions contained in the forward-looking statements include, but are not limited to, adverse changes in general economic and market conditions, an inability of the Company to protect its intellectual property rights, underperformance or delay in the Company’s commercialization and diversification strategy, the benefits of the Company’s investment in its supply chain infrastructure not being realized, an inability of the Company to attract or retain key management and research personnel, adverse changes to the Company’s key operational inputs, including in connection with general inflationary pressures and increases in the costs of energy sources. The Company does not

undertake any obligation to update or revise any forward-looking information unless required to do so by applicable law.

QUESTIONS AND ANSWERS

MEETING PROCEDURES

When is the Meeting?

The Company will hold the Meeting at 1:00 p.m. (Eastern Daylight time) on May 14, 2024 at the offices of the Company at 3365 Mainway, Burlington, Ontario L7M 1A6. The Company encourages shareholders to access the Meeting via telephone conference call. This can be done by visiting the following URL: <https://empportal.ink/3SRvOaE> and registering your contact details. Shareholders will then be contacted by phone and connected to the Meeting instantly. Alternatively, shareholders can access the telephone conference call by dialling 1-416-764-8659 (Local) or 1-888-664-6392 (toll-free in North America), passcode: 45364289. Shareholders attending the Meeting by telephone conference call will be able to listen to the Meeting and ask questions but will not be able to vote over the phone.

The items of business to be considered at the Meeting are described in the section titled “*Particulars of Matters to be Acted Upon*”, below.

What happens if the Meeting location, time or date needs to be changed?

The Company will notify securityholders of the change without sending additional soliciting materials or updating proxy-related materials by:

- issuing a news release announcing the change in the date, time or location;
- filing the news release on SEDAR+; and
- informing all the parties involved in the proxy voting infrastructure (such as intermediaries, transfer agents, and proxy service providers) of the change.

Who can go to the Meeting?

Anyone who holds Common Shares as of the close of business on March 25, 2024, which is the record date for the Meeting fixed by the Board of Directors of the Company (the “**Board**”), or has been appointed proxyholder by such a shareholder, is entitled to attend the Meeting.

All shareholders of the Company are strongly encouraged to vote prior to the Meeting by any of the means described on pages 3 and 4 of this management information circular. In the event that shareholders are unable to attend the Meeting in person, the Company encourages shareholders to access the Meeting via telephone conference call. This can be done by visiting the following URL: <https://empportal.ink/3SRvOaE> and registering your contact details. Shareholders will then be contacted by phone and connected to the Meeting instantly. Alternatively, shareholders can access the telephone conference call by dialling 1-416-764-8659 (Local) or 1-888-664-6392 (toll-free in North America), passcode: 45364289. This conference call will give shareholders an equal opportunity to access the Meeting regardless of their geographic location. Shareholders attending the Meeting by telephone conference call will be able to listen to the Meeting and ask questions but will not be able to vote over the phone.

Who can vote at the Meeting and what are we voting on?

There are two types of shareholders who can vote at the Meeting: “registered shareholders” and “non-registered shareholders”. Registered shareholders hold their Common Shares in their own name, and this name appears on the share register maintained by the Company’s transfer agent. Non-registered shareholders hold their shares through an intermediary such as a bank, investment dealer, trust company or other financial institution. Common Shares held by non-registered shareholders are registered in the name of the applicable intermediary on the share register maintained by the Company’s transfer agent.

If you are a registered shareholder and hold Common Shares as of the close of business on March 25, 2024, or have been appointed proxyholder by such a shareholder, you have the right to cast one vote per

Common Share on the business matters set out in the accompanying notice of meeting and any other matters which properly come before the Meeting.

If you are a non-registered shareholder, in order to vote your shares, you must carefully follow the instructions provided by the financial intermediary that manages your account. **Without specific instructions, intermediaries will be prohibited from voting for their clients. Therefore, non-registered shareholders should ensure that instructions respecting the voting of their shares are communicated to the appropriate person at the appropriate time. A non-registered shareholder cannot use a voting instruction form or form of proxy to vote Common Shares directly at the Meeting. Non-registered shareholders must carefully follow the instructions provided by their financial intermediary if they wish to vote their shares at the Meeting. Voting instruction forms must be returned sufficiently in advance of the Meeting to have those Common Shares voted. Please consult with the applicable financial intermediary for further information.**

How many shareholders do you need to reach a quorum?

A quorum is reached with at least two people present who hold, or represent by proxy, in the aggregate at least 25% of the issued and outstanding Common Shares, being the shares entitled to be voted at the Meeting.

How many Common Shares are outstanding?

On March 25, 2024, which is the record date for the Meeting fixed by the Board, EcoSynthetix had 58,556,744 Common Shares issued and outstanding. Each Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting. In accordance with the provisions of the *Business Corporations Act* (Ontario) (the "OBCA"), the Company will prepare a list of holders of Common Shares as of the record date.

VOTING PROCEDURES

Am I a registered or non-registered shareholder?

You are a registered shareholder if you have a share certificate in your name. You are a non-registered shareholder if your shares are registered in the name of an intermediary (such as a bank, trust company, trustee, investment dealer, clearing agency or other institution). If you hold your shares through a brokerage account, it is highly likely you are a non-registered shareholder.

How can I vote if I am a registered shareholder?

- By telephone: 1-888-489-5760 (English only service) or 1-888-489-7352 (bilingual service).
- By Internet: www.meeting-vote.com
- By mail or delivering it in accordance with the instructions on your proxy.
- By fax: 1-416-595-9593
- By email: proxyvote@tmx.com
- By attending the Meeting and casting your vote in person (if you have already voted by proxy and attend the Meeting and wish to vote in person, you may do so by registering with the scrutineer at the Meeting). Please see above regarding Meeting attendance. We encourage you to vote in advance of the Meeting.
- By appointing someone else as proxy to attend the Meeting and vote your shares for you, by following the instructions provided on your proxy. Please see above regarding Meeting attendance. We encourage you to vote in advance of the Meeting.

Please ensure you leave sufficient time for your proxy to be received by TSX Trust Company **before the deadline of no later than 1:00 p.m. (Eastern Daylight time) on May 10, 2024.**

How can I vote if I am a non-registered shareholder?

If you are a non-registered shareholder and you receive your materials through an investment dealer or other intermediary, complete and return the forms entitling you to vote by following the instructions in those forms.

If you wish to vote in person at the Meeting, insert your own name in the space provided on the request for voting instructions provided by your nominee to appoint yourself as proxy holder and follow the signature and return instructions of your nominee. Non-registered shareholders who appoint themselves as proxy holders should present themselves at the Meeting to a representative of TSX Trust Company. Do not otherwise complete the request for voting instructions sent to you as you will be voting at the Meeting.

The majority of investment brokers and dealers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically asks non-registered shareholders to vote via the internet at www.proxyvote.com, by telephone using the number listed on the voting instruction form, or by returning the proxy forms to Broadridge. The Company may also use the Broadridge QuickVote™ service to assist eligible non-registered shareholders with voting their shares. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting.

Non-registered shareholders cannot use a voting information form provided by Broadridge to vote their Common Shares directly at the Meeting.

Non-registered shareholders should carefully follow the instructions provided by their intermediary on the voting information form. Non-registered shareholders should pay particular attention to the deadline specified on the voting information form as this deadline may be different (and earlier) than the proxy voting deadline for registered shareholders described above. TSX Trust Company must receive non-registered shareholders' voting instructions from Broadridge in advance of 1:00 p.m. (Eastern Daylight time) on May 10, 2024.

In accordance with provisions of National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") and the Company's use of Notice-and-Access (as defined herein), the Company has distributed or has caused its agents to distribute copies of the Notice Package (as defined herein) to intermediaries for onward distribution to non-registered shareholders.

How do I appoint someone else to go to the Meeting and vote my shares for me?

Mr. Paul Lucas, the Chair of the Board and Jeff MacDonald, the Chief Executive Officer of the Company, have been named in the proxy to represent shareholders at the Meeting. **If you are a registered shareholder, you can appoint someone else to represent you at the Meeting. Just complete a paper proxy by inserting the person's name in the appropriate space on the proxy form, or complete another acceptable paper proxy. You may also follow the instructions provided on your proxy to appoint someone online. If you are a non-registered shareholder, you can also appoint someone else to represent you at the Meeting by following the instructions in the materials you receive through your investment dealer or other intermediary. In either case, the person you appoint does not need to be a shareholder but must attend the Meeting to vote your shares.**

Please see above regarding Meeting attendance. We encourage you to vote in advance of the Meeting.

Is there a deadline for my proxy to be received?

Yes. Your proxy must be received by TSX Trust Company, Proxy Department, P.O. Box 721, Agincourt, ON, M1S 0A1 no later than 1:00 p.m. (Eastern Daylight time) on May 10, 2024. You can also vote by fax, by phone or over the internet by following the instructions on the form of proxy. If the Meeting is adjourned, your proxy must be received 48 hours, excluding weekends and holidays, before the adjourned meeting date.

Late proxies may be accepted or rejected by the Chair of the Meeting in his discretion, and the Chair is under no obligation to accept or reject any particular late proxy. The Chair of the Meeting may waive or extend the proxy cut-off time without notice.

If you have questions about the return of your proxy or methods of voting your proxy, you may contact the Company at the contact information set out under the heading "*What if I have more questions?*", below, or TSX Trust Company, by telephone at 1-800-387-0825 (toll-free in North America) or 416-682-3860 (outside Canada and the United States), by facsimile at 1-416-595-9593, or by e-mail at shareholderinquiries@tmx.com.

How will my shares be voted if I return a proxy?

Common Shares represented by a proxy will be voted or withheld from voting, as the case may be, on any ballot that may be called for at the Meeting. A shareholder or intermediary may direct the manner in which the shares represented by the proxy are to be voted by marking the form of proxy accordingly. Where a choice is specified, the shares represented by the proxy will be voted or withheld from voting in accordance with the choice specified. **Where no choice is specified in the proxy with respect to a matter identified therein, the shares represented will be voted in accordance with management's recommendation on all the resolutions described herein and on any ballot that may be called for on that matter.**

What happens if there are amendments or variations or other matters brought before the Meeting?

The form of proxy confers discretionary authority upon the proxyholder in respect of amendments or variations to the matters identified in the accompanying notice of meeting, and in respect of any other matters that may properly come before the Meeting.

Your voting instructions provided by proxy give discretionary authority to the person you appoint as proxyholder to vote as he or she sees fit on any amendment or variation to any of the matters identified in the notice of meeting and any other matters that may properly be brought before the Meeting, to the extent permitted by law. As of the date of this management information circular, neither the directors nor executive officers of EcoSynthetix are aware of any variation, amendment or other matter to be presented for a vote at the Meeting.

What if I change my mind?

If you are a registered shareholder and have voted by proxy, you may revoke your proxy by subsequently delivering to TSX Trust Company a duly executed proxy by paper, dated as of a later date or by delivering a form of revocation of proxy. Any new voting instructions, however, will only take effect if received by TSX Trust Company, Proxy Department, P.O. Box 721, Agincourt, ON, M1S 0A1, by 1:00 p.m. (Eastern Daylight time) on May 10, 2024, or if the Meeting is adjourned, no later than 48 hours, excluding weekends and holidays, before the date and time of the adjourned meeting.

If you are a registered shareholder and have voted by proxy, you may also revoke your proxy by an instrument in writing executed by a shareholder or by a shareholder's attorney authorized in writing (or, if the shareholder is a corporation, by a duly authorized officer or attorney) and deposited at the registered office of the Company (3365 Mainway, Burlington, Ontario L7M 1A6, Attention: Rob Haire) at any time up to and including the last business day preceding the day of the Meeting.

If you are a registered shareholder, you may also revoke your proxy and vote in person at the Meeting, or any adjournment thereof, by delivering a form of revocation of proxy to the Chair of the Meeting at the Meeting before the vote, in respect of which the proxy is to be used, is taken. You may also revoke your proxy in any other manner permitted by law.

If you are a non-registered shareholder, you may revoke your proxy or voting instructions in accordance with the procedure set forth in your voting information form or by contacting the individual who serves your account.

Who is soliciting my proxy?

Your proxy is being solicited on behalf of management of EcoSynthetix for use at the annual meeting of shareholders to be held at the time and place and for the purposes set forth in the accompanying notice of meeting and EcoSynthetix will pay for the cost of solicitation.

The Company's management will solicit proxies either by mail to your latest address shown on the register of shareholders or by electronic mail to the e-mail address you provided. Additionally, employees or agents may solicit proxies by telephone or other ways at a nominal cost to EcoSynthetix.

What proxy-related materials will I receive?

For the annual meeting to which this management information circular relates, the Company is availing itself of the "**Notice-and-Access**" provisions under NI 54-101 and National Instrument 51-102 – *Continuous Disclosure Obligations* to distribute its proxy-related materials to shareholders. Under Notice-and-Access, rather than the Company mailing paper copies of the notice of meeting, this management information circular and other proxy-related materials to shareholders, such materials can be accessed online and shareholders will instead receive a paper copy of a notice package (the "**Notice Package**") under Notice-and-Access via pre-paid mail containing: (i) a notification regarding the Company's use of Notice-and-Access and how the proxy-related materials may be obtained, (ii) a form of proxy (if you are a registered shareholder) or a voting instruction form (if you are a non-registered shareholder), and (iii) a request for financial statements form pursuant to which shareholders can elect to receive paper copies of the Company's financial statements and management's discussion and analysis. The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and it will also reduce the Company's printing and mailing costs.

The notice of meeting, this management information circular and other proxy-related materials are available under the Company's profile on SEDAR+ at www.sedarplus.ca, on the Company's website at www.ecosynthetix.com and at the following website: www.meetingdocuments.com/TSXT/ECO. Shareholders will not receive a paper copy of the notice of meeting, this management information circular or other proxy-related materials unless they contact TSX Trust Company, at 1-888-433-6443 (toll-free North American) or 416-682-3801 (outside North America) or by email at tsxt-fulfilment@tmx.com. For shareholders who wish to receive a paper copies of the proxy-related materials in advance of the voting deadline for the Meeting, requests must be received no later than April 26, 2024, in order to allow reasonable time to receive and review such proxy-related materials prior to the proxy deadline of 1:00 p.m. (Eastern Daylight time) on May 10, 2024. The proxy-related materials will be sent to shareholders within three business days of their request if such request is made prior to the date of the Meeting. Following the Meeting, the management information circular will be sent to such shareholders within 10 days of their request. Shareholders with questions about Notice-and-Access may contact TSX Trust Company, by telephone at 1-800-387-0825 (toll-free in North America) or 416-682-3860 (outside Canada and the United States), by facsimile at 1-416-595-9593, or by e-mail at shareholderinquiries@tmx.com.

What if I have more questions?

If you have any questions about the information contained in this management information circular or need assistance in completing your proxy form, please contact the Company by e-mail at info@ecosynthetix.com, or Ross Marshall, Investor Relations Contact, by phone at 416-526-1563 or by e-mail at ross.marshall@loderockadvisors.com.

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and executive officers of the Company, and based on existing information as of March 25, 2024, which is the record date for the Meeting fixed by the Board, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of the Company carrying 10% or more of the voting rights attached to any class of voting securities of the Company, except as set forth in the table below.

Name of Shareholder	Number of Common Shares Held⁽¹⁾	Percentage of Common Shares Outstanding
Lions Investment Ltd.	8,160,151	13.94%
TD Waterhouse Canada Inc.	8,512,315	14.54%

Notes:

- (1) The information as to Common Shares beneficially owned, or controlled or directed, directly or indirectly, not being within the knowledge of the Company, has been obtained by the Company from information disclosed publicly, or furnished by the principle shareholders.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No (a) director or executive officer who has held such position at any time during the financial year ended December 31, 2023; (b) proposed nominee for election as a director; or (c) associate or affiliate of a person in (a) or (b) has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED UPON

FINANCIAL STATEMENTS

The Company's audited consolidated financial statements for the financial year ended December 31, 2023 and the report of the auditors thereon will be placed before the shareholders at the Meeting, but no vote thereon is required. These documents are available upon request or they can be found under our profile on SEDAR+ at www.sedarplus.ca, or on our website at www.ecosynthetic.com.

APPOINTMENT OF AUDITOR

The Board and the audit committee of the Board (the "**Audit Committee**") recommend that PricewaterhouseCoopers LLP, Chartered Professional Accountants, be appointed to serve as our auditors until the next annual meeting of shareholders and that shareholders authorize the Board to fix their remuneration.

Unless authority is withheld, the persons named in the accompanying proxy intend to vote FOR the appointment of PricewaterhouseCoopers LLP, Chartered Professional Accountants, as auditors of the Company until the close of the next annual meeting of shareholders and to authorize the directors to fix their remuneration.

PricewaterhouseCoopers LLP, Chartered Professional Accountants, were first appointed on May 20, 2011. During the years ended December 31, 2023 and 2022, we paid the following fees to PricewaterhouseCoopers:

Type of Work	2023 Fees (\$) ⁽¹⁾	2022 Fees (\$) ⁽¹⁾
Audit fees	98,464	101,040
Audit-related fees	13,387	13,205
Tax fees	-	-
All other fees	-	-
Total	111,850	114,245

Notes:

(1) Fees were paid in Canadian dollars and have been converted to U.S. dollars at a rate of C\$1.00=\$0.7403 for the 2023 Fees, and C\$1.00=\$0.7713 for the 2022 Fees.

For further information see the section titled “*Audit Committee – External Auditor Service Fees*” in our annual information form (the “**AIF**”) dated February 27, 2024. The AIF is available under our profile on SEDAR+ at www.sedarplus.ca.

ELECTION OF DIRECTORS

The Company’s Articles of Incorporation (the “**Articles**”) provide that the Board consist of a minimum of one and a maximum of ten directors. The Board currently consists of five directors and the term of office of each of the present directors expires at the close of the Meeting. The Board has fixed the size of the Board for election at the Meeting at five directors. At the Meeting, the five persons set out under the heading “*Election of Directors – Nominees for Election to the Board*” will be proposed for election as directors of the Company (the “**Nominees**”). Each of the Nominees is currently a director. Each director elected will hold office until the close of the next annual meeting of shareholders or until such person’s successor is elected or appointed.

Unless authority is withheld, the persons named in the accompanying proxy intend to vote FOR the election of the Nominees. The Company’s management does not contemplate that any of the Nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority will be exercised by the persons named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any Nominee or Nominees unable to serve. All Nominees have established their eligibility and willingness to serve as directors.

Nominees for Election to the Board

The following tables set forth the details with respect to each Nominee, and is based upon information furnished by the Nominee concerned and the principal occupations, businesses or employments of each of the Nominees within the past five years are disclosed in the brief biographies.

Paul Lucas



Ontario, Canada

Age: 74

Director since May 8, 2015

Independent

Principal Occupation

Chair of the Board, Professional Director

Board and Board Committees

	Meeting Attendance	
Board of Directors	6 of 6	100%
Corporate Governance and Nominating Committee	1 of 1	100%
Compensation Committee	2 of 2	100%
Audit Committee	5 of 5	100%

Securities Holdings ⁽¹⁾

Financial Year	Common Shares	Options	DSUs	Market value of Common Shares and vested DSUs ⁽²⁾	Value of total compensation received
Current	36,000	NIL	345,436	\$1,375,598	N/A
2023	36,000	NIL	345,436	\$992,793	\$76,315
2022	36,000	NIL	308,518	\$1,074,085	\$79,164
2021	36,000	NIL	287,237	\$1,487,323	\$80,937

Other Board Memberships and Committees

Induran Ventures Inc. (Chair of the Board)

Rna Diagnostics Inc. (Director)

Mr. Lucas was elected to the Board of Directors of EcoSynthetix on May 8, 2015 and subsequently appointed Chair of the Board on June 16, 2016. Mr. Lucas served as President and CEO of GlaxoSmithKline Canada from 1994 until he retired in 2012. Mr. Lucas previously served as Chair of the Board of Directors for Vivo Cannabis Inc., TM Bioscience, Life Science Ontario, and Canada's Research Based Pharmaceutical Companies (Rx&D). Mr. Lucas also previously served as a member of the Boards of Biochem Pharma, the Toronto Regional Research Alliance, Montreal inVivo, AllerGen and the Ontario Genomics Institute. In addition, he was a member of the Principal's Advisory Council of the University of Toronto at Mississauga, and a member of the Board of Trustees of Queen's University. Currently, Mr. Lucas is a member of the Board of Directors of Rna Diagnostics Inc. and is Chair of Induran Ventures Inc. Mr. Lucas received his BSc (Honours) in Biology and Chemistry from Queen's University, and obtained his Chartered Directors designation (CDir) from the Directors College in 2009.

Voting Results

Year	For	Withheld
2023	99.68%	0.32%
2022	99.72%	0.28%
2021	95.15%	4.85%

Jeff MacDonald



Ontario, Canada

Age: 55

Director since 2015

Not Independent

Principal Occupation

Chief Executive Officer and Director of the Company

Board and Board Committees

	Meeting Attendance	
Board of Directors	6 of 6	100%

Securities Holdings ⁽¹⁾

Financial Year	Common Shares	Options ⁽³⁾	RSUs ⁽³⁾	Market value of Common Shares, RSUs and vested in-the-money Options ⁽⁴⁾	Value of total compensation received
Current	1,141,682	1,060,376	157,830	\$6,083,165	N/A
2023	1,141,682	908,547	92,602	\$3,919,452	\$775,935
2022	1,101,682	881,541	132,824	\$4,943,801	\$777,572
2021	958,273	1,061,490	132,211	\$7,905,222	\$1,121,770

Other Board Memberships and Committees

None

Mr. MacDonald was appointed the Chief Executive Officer effective May 1, 2015. Mr. MacDonald was appointed to serve on the Board of Directors on May 11, 2015. Mr. MacDonald joined the Company in April 2014 as Chief Operating Officer and was appointed interim Chief Executive Officer in February 2015. Mr. MacDonald came to EcoSynthetix with more than 15 years of executive leadership experience in a variety of roles, including operations, business development, and marketing. He spent the majority of his career at Husky Injection Molding Systems Ltd. ("Husky"), a leading manufacturer of equipment and services for the plastics industry, with more than \$1 billion in annual sales. At Husky, Mr. MacDonald led the establishment of new businesses, introduced a number of new products to market and led key initiatives that had a transformational impact on overall business performance. Mr. MacDonald holds a Master of Business Administration degree from McMaster University and a Bachelor of Science degree from the University of Western Ontario and previously served on the Board of Intrinsic Technologies Corporation.

Voting Results

Year	For	Withheld
2023	99.96%	0.04%
2022	100%	0%
2021	99.99%	0.01%

Susan Allen



Ontario, Canada

Age: 66

Director since May 23, 2018

Independent

Principal Occupation

Professional Director

Board and Board Committees

	Meeting Attendance	
Board of Directors	6 of 6	100%
Corporate Governance and Nominating Committee	1 of 1	100%
Compensation Committee	2 of 2	100%
Audit Committee (Chair)	5 of 5	100%

Securities Holdings⁽¹⁾

Financial Year	Common Shares	Options	DSUs	Market value of Common Shares and vested DSUs ⁽²⁾	Value of total compensation received
Current	9,500	NIL	188,931	\$701,898	N/A
2023	9,500	NIL	188,931	\$506,572	\$70,388
2022	9,500	NIL	154,881	\$504,983	\$73,015
2021	9,500	NIL	135,253	\$654,950	\$74,041

Other Board Memberships and Committees

Richards Packaging Income Fund (Trustee)
 Triple Flag Precious Metals Corporation (Director)
 Conavi Medical Inc. (Director)

Ms. Allen was elected to the Board of Directors of EcoSynthetix and appointed as the Chair of the Audit Committee on May 23, 2018. Ms. Allen also serves as Trustee or Director and Audit Committee Chair on the boards of Richards Packaging Income Fund, a TSX listed company, and Triple Flag Precious Metals Corporation, a TSX and NYSE listed company, and serves as a Director of Conavi Medical Inc., a private Canadian medical device company. Ms. Allen has over 10 years' experience with executive board roles held in various not for profit entities, and previously served on global and Canadian boards of PricewaterhouseCoopers. As a former PricewaterhouseCoopers assurance partner with 34 years' experience, she has extensive international business, audit, board, and governance experience and has advised companies on valuations, acquisitions, carve-outs, going public and internal control systems. Ms. Allen was named one of the Women's Executive Network "Top 100 Most Powerful Women in Canada", is the recipient of Catalyst Canada's "Business Champion" award, and in 2023, earned the Canadian Equity and Diversity Champion award for her leadership role and impact on diversity initiatives. Ms. Allen is author of "Count Me In – A Trailblazer's Triumph in a World not Built for Her" to help professional women in business. Ms. Allen is a graduate of the University of Toronto, with a Bachelor of Arts degree, holds an ICD.D designation for completing the ICD directors' education program, and holds both her U.S. CPA and Canadian FCPA (FCA) designations.

Year	Voting Results	
	For	Withheld
2023	99.69%	0.31%
2022	99.83%	0.17%
2021	95.08%	4.92%

Sara Elford



Ontario, Canada

Age: 54

Director since July 12, 2021

Independent

Principal Occupation

Professional Director

Board and Board Committees

	Meeting Attendance
Board of Directors	6 of 6 100%
Corporate Governance and Nominating Committee (Chair)	1 of 1 100%
Compensation Committee	2 of 2 100%
Audit Committee	5 of 5 100%

Securities Holdings⁽¹⁾

Financial Year	Common Shares	Options	DSUs	Market value of Common Shares and vested DSUs ⁽²⁾	Value of total compensation received
Current	50,000	NIL	31,965	\$288,201	N/A
2023	50,000	NIL	31,965	\$207,870	\$66,683
2022	50,000	NIL	15,836	\$201,111	\$69,172
2021	50,000	NIL	6,538	\$249,028	\$48,470

Other Board Memberships and Committees

BioSyent Inc. (Director)

BQE Water Inc. (Director)

Ms. Elford was appointed to the Board of Directors of EcoSynthetix on July 12, 2021. Ms. Elford worked in capital markets for over twenty years as both an investment banking and equity research analyst. As a result, she followed an extensive range of industries and companies in the small to mid-cap range and clean technology space. Ms. Elford is currently a member of the Board of Directors of BioSyent Inc., a specialty pharmaceutical company, and BQE Water Inc., a water treatment company, both TSX Venture Exchange listed companies. Ms. Elford previously served as a member of the Board of Directors of Hydrogenics Corporation, a hydrogen technology company, Carmanah Technologies Corporation, a solar LED technology company, TSO3 Inc., a medical device sterilization technology company, Pure Technologies Ltd., a pipeline leak detection technology company, and WeCommerce Holdings Ltd., a TSX Venture Exchange listed ecommerce software company, and Xebec Adsorption Inc., a renewable gas equipment and service company. Ms. Elford earned her CFA designation in 1997 and graduated from Bishop's University with a Finance Major and Economics Minor in 1994.

Voting Results		
Year	For	Withheld
2023	94.79%	5.21%
2022	99.57%	0.43%
2021	N/A	N/A

Jeffrey Nodland



Texas, USA

Age: 68

Director since January 1, 2016

Independent

Principal Occupation

Professional Director

Board and Board Committees

	Meeting Attendance
Board of Directors	6 of 6 100%
Corporate Governance and Nominating Committee	1 of 1 100%
Compensation Committee (Chair)	2 of 2 100%
Audit Committee	5 of 5 100%

Securities Holdings⁽¹⁾

Financial Year	Common Shares	Options	DSUs	Market value of Common Shares and vested DSUs ⁽²⁾	Value of total compensation received
Current	41,000	NIL	276,025	\$1,141,853	N/A
2023	41,000	NIL	276,025	\$824,096	\$66,683
2022	41,000	NIL	243,767	\$887,008	\$69,172
2021	41,000	NIL	225,172	\$1,233,592	\$70,566

Other Board Memberships and Committees

McBride Plc. (Chair of the Board)

Pioneer Recycling Services LLC (Director)

Trademark Cosmetic Inc. (Director)

Mr. Nodland was appointed to the Board of Directors of EcoSynthetix on January 1, 2016. Mr. Nodland has an extensive track record of executive leadership within the specialty chemicals, industrial manufacturing and consumer products sectors. Mr. Nodland served as President, Chief Executive Officer and Director of KIK Custom Products from February 2008 to January 2019, a manufacturer of national and retailer brand consumer products throughout North America, and a leader in manufacturing of both chemicals for the pool and spa markets and antifreeze to the North American automotive industry. Mr. Nodland previously served as President of Hexion Specialty Chemicals Inc.'s Coatings & Inks Division from 2005 to May 2006, and President and Chief Operating Officer of Resolution Specialty Materials from 2004 to 2005. In addition, Mr. Nodland served as President and Chief Operating Officer of

Voting Results		
Year	For	Withheld
2023	99.49%	0.51%
2022	99.43%	0.57%
2021	95.15%	4.85%

Resolution Performance Products from 2001 to 2004, CEO and President of McWhorter Technologies from 1999 to 2001 and COO and CFO from 1994 to 1999. Mr. Nodland also held several management roles for The Valspar Corporation from 1977 to 1994. Mr. Nodland currently serves as the Chair of the Board of Directors for McBride Plc., a company that is a leading European supplier of private label household products listed on the London Stock Exchange, and is a Board member of the privately held company Pioneer Recycling Services, LLC, based in Washington State, USA, which operates Material Recovery Facilities in the Pacific Northwest, and of Trademark Cosmetics Inc., a privately held developer of personal care products. Mr. Nodland previously served as a member of the Board of Directors of California Products Corporation, TPC Group, Augsburg University and MPM Holdings Inc.

Notes:

- (1) The “current” holdings of Common Shares, Options (as defined herein), DSUs (as defined herein) and RSUs (as defined herein) are reported as of March 25, 2024. The holdings of Common Shares, Options, DSUs and RSUs as at 2023, 2022 and 2021 are reported as of December 31 of the respective year indicated.
- (2) Total market value of equity includes the market value of Common Shares and vested DSUs. The market value of Common Shares and vested DSUs has been calculated based on the number of Common Shares and vested DSUs held by the applicable proposed director on (i) March 25, 2024 in respect of such proposed directors’ current holdings of Common Shares and vested DSUs, multiplied by the closing price of the Common Shares on the Toronto Stock Exchange (“TSX”) on that day (converted to U.S. dollars using the daily exchange rate on March 25, 2024 of U.S. \$1.00 = C\$1.3583 (the “**Daily Exchange Rate**”), and (ii) December 31 of each year noted in the table in respect of such proposed directors’ holdings of Common Shares and vested DSUs at the end of each year noted in the table, multiplied by the closing price of the Common Shares on the TSX on December 31 for each of 2023, 2022 and 2021, as applicable (converted to U.S. dollars using the applicable average annual exchange rate). For the proposed directors’ current holdings of Common Shares and vested DSUs, a closing price of C\$5.02 (\$3.70 at the Daily Exchange Rate) was used, for the financial year ended December 31, 2023, a closing price of C\$3.60 (\$2.67 at the Annual Exchange Rate) was used, for the financial year ended December 31, 2022, a closing price of C\$4.12 (\$3.17 at the 2022 Annual Exchange Rate) was used, and for the financial year ended December 31, 2021, a closing price of C\$5.86 (\$4.67 at the 2021 Annual Exchange Rate) was used. No value is included for Options in this calculation for any directors, other than Mr. MacDonald (as none of the directors, except Mr. MacDonald, hold any Options).
- (3) Mr. MacDonald’s Options and RSUs were granted in connection with Mr. MacDonald’s tenure as an executive officer of the Company and not in connection with his tenure on the Board. As an executive officer of the Company, Mr. MacDonald does not receive compensation for his service on the Board and he is not eligible for participation in the Company’s DSU Plan (as defined herein). Certain of Mr. MacDonald’s RSUs are subject to performance and time-based vesting conditions, while other are subject to time-based vesting conditions only. Mr. MacDonald’s Options are subject to time-based vesting conditions only. For further details on the Company’s executive compensation methodology and policies, please see the section of this management information circular titled “*Elements of Executive Compensation*”.
- (4) Total market value of equity includes the market value of Common Shares, RSUs and vested in-the-money Options. The market value of Common Shares and RSUs has been calculated based on the number of Common Shares and RSUs held by Mr. MacDonald (i) on March 25, 2024 in respect of Mr. MacDonald’s current holdings of Common Shares and RSUs, multiplied by the closing price of the Common Shares on the TSX on that day (converted to U.S. dollars using the Daily Exchange Rate), and (ii) on December 31 of each year noted in the table in respect of Mr. MacDonald’s holdings of Common Shares and RSUs at the end of each year noted in the table, multiplied by the closing price of the Common Shares on the TSX on December 31 for each of 2023, 2022 and 2021, as applicable (converted to U.S. dollars using the applicable average annual exchange rate). For Mr. MacDonald’s current holdings of Common Shares and RSUs, a closing price of C\$5.02 (\$3.70 at the Daily Exchange Rate) was used, for the financial year ended December 31, 2023, a closing price of C\$3.60 (\$2.67 at the Annual Exchange Rate) was used, for the financial year ended December 31, 2022, a closing price of C\$4.12 (\$3.17 at the 2022 Annual Exchange Rate) was used, and for the financial year ended December 31, 2021, a closing price of C\$5.86 (\$4.67 at the 2021 Annual Exchange Rate) was used. The market value of vested in-the-money Options listed in the table has been calculated based on the closing prices of Common Shares on the TSX on March 25, 2024 and on December 31 for each of 2023, 2022 and 2021 as noted above in this footnote (4), as applicable, from which the exercise price of vested in-the-money Options (converted to U.S. dollars using the applicable exchange rate) has been subtracted.

Advance Notice By-Law

On January 26, 2015, the Board approved by-law No. 2 of the Company (“**By-Law No. 2**”), amending by-law No. 1 of the Company, which By-Law No. 2 was approved by the Shareholders of the Company at the May 8, 2015 annual and special meeting. By-Law No. 2 has provisions that apply in circumstances where director nominations are made by shareholders of the Company, other than in connection with (i) the requisition of a shareholders’ meeting, or (ii) a shareholder proposal, in each case made pursuant to the OBCA.

By-Law No. 2 fixes a deadline by which holders of record of common shares of the Company must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Company. In the case of an annual meeting of shareholders, notice to the Company must be given not less than 30 days prior to the date of the annual meeting. In the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be given not later than the close of business on the 10th day following such public announcement. As

of the date of this management information circular, the Company has not received notification pursuant to the terms of the Company's advance notice by-law of a shareholder nominee for election to the Board.

Majority Voting

Upon recommendation from the corporate governance and nominating committee of the Board (the "**Corporate Governance and Nominating Committee**"), the Board has adopted a majority voting policy (the "**Majority Voting Policy**") in which shareholders vote for each nominee director individually by either voting "for" or "withhold". Any director must immediately tender his or her resignation to the Board if he or she is not elected by "in favour" votes that represent at least a majority (50% +1 vote) of the votes cast with respect to his or her election. The Corporate Governance and Nominating Committee will expeditiously consider the director's offer to resign and make a recommendation to the Board whether to accept it. The Board will promptly, and in any event within 90 days of the shareholders' meeting, determine whether to accept the director's resignation or not after considering the recommendation of the Corporate Governance and Nominating Committee and, in so doing, may consider the factors considered relevant by the Corporate Governance and Nominating Committee and such additional information and factors that the Board considers to be relevant. The Board shall accept the resignation absent exceptional circumstances, and the resignation will be effective when accepted by the Board. Following the decision of the Board, the Board shall promptly disclose, by way of press release (a copy of which will be provided to the TSX), its decision whether to accept the director's resignation, including the reasons for rejecting the resignation, if applicable. Any director who tenders his or her resignation will not attend any meetings of, or participate in any deliberations of, the Corporate Governance and Nominating Committee or the Board, where such director's resignation is considered, except that, if necessary, such director may attend such meetings solely for the purpose of establishing quorum.

Cease trade orders, bankruptcies, penalties or sanctions

No proposed director or executive officer of the Company is, or within ten years prior to the date hereof has been, a director, chief executive officer or chief financial officer of any company (including the Company) that, (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Other than as set out below, no proposed director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially control of the Company, (i) is, or within ten years prior to the date hereof has been, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Ms. Susan Allen previously served as a director of A Brand Company, Inc. ("**BrandAlliance**"), a privately-held U.S. promotions and marketing firm, from March 2016 to June 2020, at which time it completed a sale of its U.S. assets. She also previously served as a director of BrandAlliance, Inc., a Canadian subsidiary of BrandAlliance, whose assets were not included in the sale, from February 2018 until June 1, 2020. On June 1, 2020, BrandAlliance, Inc. filed an assignment in bankruptcy under the *Bankruptcy and Insolvency Act* (Canada) and a receiver was appointed.

Ms. Sara Elford previously served as a director of Xebec Adsorption Inc. (“**Xebec**”), a renewable gas equipment and service company from August 26, 2020 to February 14, 2024. On September 29, 2022, Xebec obtained court approved creditor protection under the *Companies’ Creditors Arrangement Act* (Canada) to pursue restructuring and commence a sale and investment solicitation process. As a result of this process, Xebec’s common shares were delisted from the TSX on November 14, 2022.

No proposed director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

INTRODUCTION

We recognize the importance of corporate governance to the effective management of the Company and to the protection of our employees and shareholders. Our approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Company are effectively managed so as to enhance shareholder value.

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires issuers to disclose certain corporate governance practices they have adopted. As required by NI 58-101 and other applicable regulatory instruments, the following disclosure describes our corporate governance policies and initiatives and has been prepared by the Corporate Governance and Nominating Committee and approved by the Board.

BOARD OF DIRECTORS

Mandate

The Board is responsible for supervising the management of our business and affairs and acting with a view towards the best interests of the Company. The Board discharges its responsibilities directly and through its committees and is responsible for, among other things:

- developing and adopting the strategic direction and, at least annually, approving a strategic plan as developed and proposed by management, which takes into account our business opportunities and risks;
- reviewing and approving: (i) financial objectives, plans and actions, including significant capital allocations and expenditures; (ii) financial statements and management’s discussion and analysis (“**MD&A**”); (iii) material transactions not in the ordinary course of business and (iv) annual budgets;
- identifying principal business risks and ensuring that appropriate systems are put in place to manage such risks;
- monitoring and ensuring the integrity of internal control and procedures;
- monitoring corporate performance and ensuring appropriate standards of corporate conduct, including creating and amending the Company’s Code of Business Conduct and Ethics and a disclosure policy;

**A copy of the Board mandate
is attached as Appendix “A”
and is available on our
website at
www.ecosynthetix.com.**

- reviewing compensation of the members of the Board;
- ensuring an appropriate succession plan, including the appointment, training and monitoring of senior management and members of the Board; and
- developing our approach to corporate governance.

The Board mandate provides that at least two-thirds of the directors will be independent. The Board's mandate also sets forth procedures relating to the Board's operations, including the size and selection process, qualifications, orientation and continuing education, independent meetings and committees, evaluations, compensation, nominations, access to independent advisors, director terms and retirement, interlocks, multiple board memberships and equity ownership guidelines. The Board has the mandate to assess, among other things, the effectiveness of the Board as a whole, its committees and the contribution of individual directors, and will periodically canvas the directors to determine their training and education needs and interests.

The Board also has the responsibility of managing the risks to our business and must (i) ensure that management identifies the principal risks of the business and implements appropriate systems to manage these risks; and (ii) evaluate and assess information provided by management and others about the effectiveness of risk management systems.

Meetings of the Board

The Board fulfills its mandate at regularly scheduled meetings or as required. The directors are kept informed of the Company's operations at these meetings as well as through reports and discussions with management throughout the year. The mandate of the Board provides that the Board will have at least four scheduled meetings per year. The frequency of the meetings and the nature of the meeting agendas are dependent upon the nature of the business and affairs which the Company faces from time to time.

The Board's policy requires that, at the end of each meeting of the Board, independent directors meet in the absence of management and non-independent directors to hold an open and candid discussion. For the financial year ended December 31, 2023, all Board and committee meetings were accompanied by *in-camera* sessions where management of the Company was not in attendance.

The Board held six meetings in the financial year ended December 31, 2023. All directors were in attendance for all such meetings.

The majority of directors in office constitutes a quorum for the transaction of business and a quorum of directors may exercise all the powers of directors at a meeting. Directors are expected to attend all meetings of the Board and the committees upon which they serve, to come to such meetings fully prepared (including full review of all documentation sent prior to the meeting), and to remain in attendance for the duration of the meeting.

Prior to each Board meeting, the Chair of the Board shall discuss the agenda items for the meeting with the Chief Executive Officer, and circulate an agenda and materials for the meeting to the Board.

In certain circumstances, non-directors will be permitted to attend Board and committee meetings to provide information and opinions to assist the directors in their deliberations. The Board, through the Chair will determine non-director attendees for a meeting, and no non-directors will be permitted to table material at the Board meeting without the prior approval of the Chair (in the case of the Board) or committee Chair (in the case of committee of the board).

Independence

Pursuant to National Instrument 52-110 - *Audit Committees* ("NI 52-110"), an independent director is one who is free from any direct or indirect relationship which could, in the view of the Board, be reasonably expected to interfere with a director's independent judgement.

The Board has considered the relationship of each of the directors to the Company and has determined that four out of the five director Nominees, being a majority of the Nominees for membership on the Board, are independent within the meaning of NI 52-110, and that, except for Jeff MacDonald, all directors who acted as a director of the Company during the financial year ended December 31, 2023 were independent within the meaning of NI 52-110, as set out in the following table:

Independent Status of Directors and Nominees

Name	Independent Nominee	Non-Independent Nominee	Reason for Non-Independent Status
Paul Lucas	√		
Jeff MacDonald		√	Executive Officer
Jeffrey Nodland	√		
Sara Elford	√		
Susan Allen	√		

In addition to the Board being comprised of a majority of independent directors and holding *in-camera* meetings at the end of each Board meeting, we have taken steps to ensure that adequate structures and processes are in place to permit the Board to function independently of management, including:

- the appointment of an independent Chair;
- any one director may call a meeting of the Board in accordance with our by-laws;
- additional independent committees may be appointed from time to time; and
- any items of discussion which could involve a potential conflict of interest among one or more directors will be voted on by those directors who do not have a conflict in connection with the relevant matter.

Other Directorships

No directors of the Company serve together as directors on the boards of other public companies. See the profile for each director under the heading “*Election of Directors – Nominees for Election to the Board*” for other directorships held by each director.

It is the Board’s policy that no two directors may sit together on two or more corporate boards without the written approval of the Board. If such approval is granted, the Corporate Governance and Nominating Committee will review on an annual basis the appropriateness of that director’s continued membership on the Board and will make a recommendation to the Board.

In addition, no director shall sit on more than five corporate boards, including the Board, without the approval of the Board, and no director who is also an executive officer of the Company shall sit on more than two corporate boards, including the Board, without the approval of the Board.

Director Term Limits

Upon recommendation from the Corporate Governance and Nominating Committee the Board has imposed a term limit of 10 years, as determined on a case by case basis by the Board, from the date of appointment of a director to the Board. To ensure continuity, the Board will, as appropriate, consider limiting the number of replacement candidates as a result of term limits to one in any applicable year.

Retirement Policy

The Board reviews the mandatory retirement age for directors from time to time. The Board has approved a policy whereby no person shall stand for election or re-election to the Board if he or she attains the age of 75 years on or before the date of the annual meeting called in relation to the election of directors. The age at which a director must retire from the Board is referred to herein as the “**Retirement Age**”.

In exceptional circumstances, the Board reserves the right, having regard to the specific skill and expertise of a director and the needs of the Board that any director who has reached the Retirement Age may stand for re-election at the next annual meeting of shareholders.

Board Committees

The Board has the following three standing committees: (i) the Audit Committee; (ii) the Compensation Committee; and (iii) the Corporate Governance and Nominating Committee.

All of the committees report directly to the Board and are comprised of independent directors as defined under NI 52-110. From time to time, when appropriate, *ad hoc* committees of the Board may be appointed by the Board. The current and proposed membership of each Board committee is as follows:

Name of Independent Director	Audit Committee	Compensation Committee	Corporate Governance and Nominating Committee
Paul Lucas	✓	✓	✓
Susan Allen	Chair	✓	✓
Jeffrey Nodland	✓	Chair	✓
Sara Elford	✓	✓	Chair

Committee Meetings

The Board is required to meet at least four times each year, however individual committees of the Board may meet more or less frequently as deemed necessary by the applicable committee. As each committee is solely comprised of independent directors, all committee meetings are considered to be independent meetings.

Equity Ownership by Directors

In 2016, the Board adopted a policy whereby each non-executive director is required to acquire Common Shares having an initial acquisition value equal to three times his or her annual retainer (the “**Equity Ownership Guidelines**”). Directors may apply the DSUs that they receive as payment for all or part of their annual retainer towards this minimum equity ownership requirement. If the annual retainer is increased, all directors are required to achieve the increased minimum equity ownership level within two years of the effective date of the increase in the annual retainer. For greater certainty, the determination as to whether a director has met this minimum equity ownership level will be made with reference to the value of the Common Shares (or DSUs) at the time of their acquisition, and not the then current market price. Non-executive directors are expected to achieve this level of ownership within five years from the date they become directors. Each of the non-executive directors of the Company currently meet the Equity Ownership Guidelines.

BUILDING AN EFFECTIVE BOARD

Orientation

The purpose of the orientation program is to familiarize new directors with our business. New directors will have the opportunity to meet with other members of the Board, in addition to management, to obtain insight

into our business, the industry, our strategic plan, and the role of the Board and its committees. In addition, new directors will be provided with an education program which will include information about the duties and obligations of directors, our policies and documents from recent meetings of the Board and its committees.

Continuing Education

The Corporate Governance and Nominating Committee oversees ongoing education by: (a) periodically canvassing the directors to determine their training and education needs and interests; (b) arranging visits to our facilities and operations; (c) arranging funding for attendance at seminars or conferences of interest and relevance to their position; and (d) encouraging and facilitating presentations by outside experts on matters of particular importance or emerging significance. Each director ultimately takes personal responsibility for staying informed with respect to developments and emerging issues and seeking opportunities to expand their knowledge base.

The Corporate Governance and Nominating Committee is responsible for providing orientation and continuing education opportunities in order to ensure directors understand issues the Company faces within its business and industry.

It is the Company's policy to provide financial support towards up to 50% of formal education programs for directors or industry-specific conferences, such support not to exceed C\$2,500 (approximately \$1,852 at the Annual Exchange Rate) per year per director.

Assessments

The Board is committed to regular assessments of the effectiveness of the Board, the Chair of the Board, the committees of the Board and the individual directors. The Corporate Governance and Nominating Committee has designed a written confidential questionnaire that is sent to each director on an annual basis to evaluate the Board as a whole, each committee, their peers and to conduct an individual self-assessment regarding each member's contribution, qualification as an independent director, as well as diversity of skills and experience. Ultimately, the Corporate Governance and Nominating Committee annually reviews and makes recommendations to the full Board regarding any changes and improvements it determines to be necessary as a result of such evaluations.

Recruitment Process and Succession Planning

The Corporate Governance and Nominating Committee, which is composed entirely of independent directors, regularly reviews the composition and needs of the Board on an as-needed basis and is responsible for recommending new candidates for nomination based upon, among other things: (i) the competencies and skills necessary for the Board as a whole and each individual director to possess and which each new nominee to the Board is expected to bring; (ii) the current composition of the Board with respect to diversity; and (iii) whether a proposed nominee to the Board will be able to devote sufficient time and resources to the Company. The Board will determine nominees to be presented to the shareholders for election based upon the required competencies and skills and the appropriate size of the Board to facilitate effective decision making.

The Corporate Governance and Nominating Committee will commit the time and resources necessary to seek a qualified director if an opening arises, and may consider expanding the Board if presented with a potential candidate whose skills would complement the current Board. When a new seat or a vacated seat is being filled, candidates that appear to best fit the needs of the Board and the Company will be identified and unless such individuals are well known to the Board, they are interviewed and further evaluated by the Corporate Governance and Nominating Committee before they will be presented to the Board for consideration.

The Corporate Governance and Nominating Committee does not set specific minimum qualifications for director positions. Instead, the Corporate Governance and Nominating Committee believes that nominations should be based on a particular candidate's merits and skills after taking into account the

current composition of the Board. When evaluating candidates annually for nomination for election, the Corporate Governance and Nominating Committee considers an individual’s skills, diversity, independence, experience in areas that address the needs of the Board and ability to devote adequate time to the Company. The Corporate Governance and Nominating Committee also seeks to achieve the appropriate balance of industry and business knowledge and experience, including, without limitation, expertise in the industry, management and operations experience and transactional experience in light of the function and needs of the Board, as well as independence, financial expertise, public company experience, personal integrity, judgment and reputation.

In addition, the Board has the responsibility for ensuring an appropriate succession plan, including the appointment, training and monitoring of senior management and members of the Board. The Corporate Governance and Nominating Committee reviews events or matters that may trigger resignation or retirement of Board members such as age, changes in principal occupation, board interlocks and other relevant circumstances. For further details on the Board’s retirement policy, see “*Statement of Corporate Governance Practices – Board of Directors – Retirement Policy*”.

Skills Matrix

The Corporate Governance and Nominating Committee maintains a matrix of skills of the current directors. The following chart outlines the key areas of expertise and experience for each of the proposed director Nominees:

		Director Nominees				
		Paul Lucas	Jeff MacDonald	Susan Allen	Jeffrey Nodland	Sara Eiford
Criteria	Description					
Independent	<i>Pursuant to section 1.4 of NI 52-110</i>	●		●	●	●
Senior Executive	<i>Chief Executive Officer or a senior executive experience at a large organization</i>	●	●	●	●	
Governance/ Other Directorships	<i>Director of a public company or performs another governance role of similar significance</i>	●	●	●	●	●
Customer/ Stakeholder	<i>Experience in managing stakeholders or a representative of a stakeholder group</i>	●	●	●	●	●
Technical Industry Experience	<i>Senior executive experience in related industries</i>	●	●		●	●
Mergers & Acquisitions / Growth Strategy	<i>Senior executive experience in mergers, acquisitions or other aspects of business growth strategy</i>	●	●	●	●	●
Compensation and Human Resources	<i>Experience in human resources management and compensation policy</i>	●	●	●	●	●
Financial	<i>Financially literate pursuant to section 1.6 of NI 52-110</i>	●	●	●	●	●
Legal, IP and Regulatory	<i>Experience in dealing with legal issues, intellectual property matters or regulatory affairs, processes and agencies</i>	●	●	●	●	●
Information Security	<i>Experience in the management of information technology systems, privacy and information security and cybersecurity programs and related risk management</i>	●	●	●	●	
Climate	<i>Experience in managing responses to the risks and opportunities of climate change</i>	●	●	●	●	●
Diversity, Equity and Inclusion	<i>Experience in diversity, equity and inclusion matters and initiatives</i>	●	●	●	●	●

The Corporate Governance and Nominating Committee updates the skills matrix on a regular basis, in addition to annual review. The Corporate Governance and Nominating Committee will use the skills matrix during any nomination process as a reference tool for the ongoing assessment of Board composition to ensure that diversity is considered as new Board member candidates are being assessed.

COMMITTEE MANDATES

Audit Committee

Pursuant to the charter of the Audit Committee, the Audit Committee shall be composed of a minimum of three directors, each of whom must at all times be financially literate and independent within the meaning of NI 52-110. The current members of the Company's Audit Committee are Ms. Allen (Chair), Ms. Elford, Mr. Lucas and Mr. Nodland, each of whom is independent and financially literate within the meaning of NI 52-110. Each of the Audit Committee members has an understanding of the accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting. In particular, Ms. Allen, Chair of the Audit Committee, is a Fellow of the Chartered Professional Accountants of Ontario and Canada, and a former PwC assurance partner and is considered a financial expert in accordance with applicable corporate governance best practices and guidelines. For additional information, including with respect to financial literacy and inclusion of the members of the Audit Committee, see "*Particulars of Matters to be Acted Upon — Election of Directors – Nominees for Election to the Board*".

The Board has adopted a written charter for the Audit Committee which sets out the Audit Committee's responsibility in reviewing the financial statements of the Company and public disclosure documents containing financial information and reporting on such review to the Board, ensuring that adequate procedures are in place for the review of the Company's public disclosure documents that contain financial information, overseeing the work and review the independence of the external auditors, reviewing, evaluating and approving the internal control procedures that are implemented and maintained by management, overseeing and reviewing the Company's information technology systems, privacy and information security and cybersecurity programs and related risk management and reviewing any significant or unusual transactions related to the Company's ongoing activities. A copy of the charter of the Audit Committee is attached as Schedule "A" to the Company's annual information form dated February 27, 2024 and is also available on the Company's website at www.ecosynthetix.com.

The Audit Committee of the Company is composed of four directors: Allen, Elford, Lucas and Nodland, each of whom is independent and financially literate. Ms. Allen acts as Chair of the Audit Committee

As described above, the Audit Committee is responsible for reviewing the Company's financial reporting process. In discharging this duty, the Audit Committee will consult with the external auditor to review the integrity of the organization's internal and external financial and accounting controls and reporting processes, consult with the external auditor and management (and the external auditor in the absence of management) about significant risks or exposures (internal and external) to which the Company may be subject, consider the external auditor's judgments about the quality and appropriateness (not just the acceptability) of the Company's accounting principles and financial disclosure practices (with particular regard to the degree of aggressiveness or conservatism of its accounting principles and underlying estimates) and whether those principles are common practices or are minority practice. The Audit Committee will also consider and approve (if appropriate) major changes to the Company's accounting principles and practices as suggested by management with the concurrence of the external auditor.

In connection with its review and oversight of the Company's auditor, the Audit Committee will review and consider on an annual basis the independence and effectiveness of the Company's external auditor (including reviewing any significant relationships the external auditor has with the Company), review and approve requests for non-audit services to be performed by the external auditor, and review any management letters or other reports issued that discuss material differences of opinion.

Non-Audit Services

The Audit Committee must review any requests for non-audit services to be performed by the Company's external auditor. The Audit Committee must also be advised of any other study undertaken by the external auditor at the request of management that is beyond the scope of the audit engagement letter and related fees. Approval from the Audit Committee must be obtained prior to the external auditor undertaking any non-audit services, which services must not otherwise be illegal for the external auditor to provide and must be performed in accordance with the Audit Committee's mandate. The external auditor will not be permitted to perform any of the following categories of non-audit services for the Company:

- Bookkeeping or other services related to the Company's accounting records or financial statements;
- appraisal or valuation services, fairness opinion or contributions-in-kind reports;
- actuarial services;
- legal services;
- internal audit outsourcing services;
- management functions
- human resources;
- broker or dealer, investment adviser or investment banking services; and
- any other service that the Canadian Public Accountability Board or International Accounting Standards Board or other analogous board which may govern the Company's accounting standards, from time to time determines is impermissible.

The external auditor is permitted to provide non-audit services related to tax compliance, tax advice or tax planning, however, the Chief Financial Officer of the Company must consult with the Chair of the Audit Committee, who has the authority to approve or disapprove on behalf of the Audit Committee. All other non-audit services not otherwise prohibited must be approved by the Audit Committee as a whole. The Chief Financial Officer must maintain a record of all non-audit services approved by the Chair of the Audit Committee and provide a report to the Audit Committee at least once per quarter.

Compensation Committee

The Compensation Committee is comprised of four directors, all of whom are independent. A copy of the charter of the Compensation Committee is available on the Company's website at www.ecosynthetix.com.

The Compensation Committee, among other things, determines the appropriate compensation for our directors, officers and employees, as further set out in this management information circular under the headings "*Director Compensation*" and "*Statement of Executive Compensation*".

The Compensation Committee is responsible for reviewing the compensation of members of the Board to ensure that compensation realistically reflects the responsibilities and risks involved in being a director and for reviewing the compensation of members of senior management to ensure that compensation is competitive within the industry and aligns the interests of such individual with those of the Company. The process by which appropriate compensation is determined is through periodic and annual reports to the Board from the Compensation Committee on our overall compensation and benefits philosophies. The Compensation Committee's responsibilities include reviewing and recommending to the Board annually a "Statement of Executive Compensation" to be included in this management information circular.

The Compensation Committee is responsible for, among other things: (i) reviewing the Company's compensation philosophy and guidelines, (ii) annually reviewing, approving and recommending to the Board for approval, the remuneration of the senior executives of the Company, and determining each senior executive's entitlement to be paid incentive awards, targets, benefits and perquisites; (iii) reviewing and recommending to the Board for approval, the remuneration of directors and submitting recommendations

The Compensation Committee of the Board is composed of four directors: Allen, Elford, Lucas and Nodland, each of whom is independent. Mr. Nodland acts as Chair of the Compensation Committee.

with regard to benefits available to members of the Board and to senior executives; (iv) reviewing the Chief Executive Officer's goals and objectives for the upcoming year and providing an appraisal of such performance at the end of the year; (v) leading the annual review process of the Chief Executive Officer and making a recommendation to the Board regarding all matters concerning the Chief Executive Officer's remuneration, (vi) meeting with the Chief Executive Officer to discuss goals, objectives, compensation and performance of other senior executive officers; (vii) administering stock option and incentive plans and determining such issues as participation, allocation of options/shares, performance criteria and vesting periods and periodically reviewing such plans in light of new trends and practices in the industry; (viii) comparing on an annual basis the total remuneration and main components of compensation for the senior executives with the compensation practices of peers in the same industry; (ix) reviewing and recommending to the Board for approval any special employment contracts to take effect in the event of termination of employment or change in control affecting any senior executives; and (x) overseeing the Company's human capital management practices and related risk monitoring.

The Compensation Committee also reviews and considers the implications of the potential risks associated with the Company's compensation policies and programs, the Company's succession plans for senior executives, and the Company's management organization structure and any proposal for changes to that structure.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee is comprised of four directors, all of whom are independent. A copy of the charter of the Corporate Governance and Nominating Committee is available on the Company's website at www.ecosynthetix.com.

The Corporate Governance and Nominating Committee is responsible for, among other things: (i) reviewing with the Board the quality of our corporate governance and, where necessary, recommending changes to corporate governance practices, including ensuring that disclosure, securities compliance and communication policies are in place; (ii) reviewing, on a periodic basis, the composition and size of the Board, including with respect to diversity, and the directors' relationships with regard to potential conflicts of interests, determining whether directors are independent, and ensuring there is an appropriate number of independent directors on the Board; (iii) facilitating the independent functioning of the Board and management of the Company; (iv) evaluating, at least once per year, the effectiveness of the Board as a whole, committees of the Board, and the contribution of individual directors, and recommending the removal or non-reappointment of directors, as necessary; (v) reviewing and recommending requests by members of the Board to hire any outside consultants; (vi) establishing an orientation program for new directors and continuing education program for current members of the Board; (vii) reviewing periodically the charters of the Board and its committees; (viii) annually reviewing the Company's directors' and officers' third-party liability insurance to ensure adequate coverage is maintained; and (ix) overseeing issues relating to, and the Company's policies and practices pertaining to, diversity, sustainability, climate change, environmental matters, and health and safety matters, including, without limitation, the Company's Diversity Policy (described below) and ESG Policy (described below).

The Corporate Governance and Nominating Committee of the Company is composed of four directors: Allen, Elford, Lucas and Nodland, each of whom is independent. Ms. Elford acts as Chair of the Corporate Governance and Nominating Committee.

As part of its mandate, the Corporate Governance and Nominating Committee must develop, and annually update and recommend to the Board for approval, a long-term plan for Board composition that takes into consideration various factors, including independence, individual skills and competencies of Board members, the Board's commitment to diversity, anticipated retirement dates, and the strategic direction of the Company. The Corporate Governance and Nominating Committee must also develop

recommendations regarding the essential and desired experiences and skills for potential directors, taking into consideration the Board's short-term needs and long-term succession plans.

POSITION DESCRIPTIONS

Written position descriptions have been developed by the Board for the Chair of the Board, Chair of the Audit Committee, Chair of the Compensation Committee, Chair of the Corporate Governance and Nominating Committee and Chief Executive Officer. These position descriptions have been reviewed by the Corporate Governance and Nominating Committee and approved by the Board.

Chair

The Chair of the Board is Mr. Paul Lucas, who is considered to be an independent director and was appointed as the Chair of the Board subsequent to the Annual Meeting of Shareholders held on June 16, 2016.

The Chair is responsible for, among other things, chairing all meetings in a manner that promotes open meaningful discussion, ensuring that meetings are held with appropriate frequency, that resources are available to the Board as necessary, that functions are delegated to the appropriate committees of the Board and Board members understand their responsibilities. The Chair is also responsible for working with the Corporate Governance and Nominating Committee to ensure a process is in place to, on an annual basis, assess the effectiveness of the Board (including size and composition) and the contribution of individual directors. The Chair also acts as a liaison between the Board and management and also, at the request of the Board, represents the Company to external groups such as shareholders, community groups and government.

Chief Executive Officer

The Chief Executive Officer of the Company is Mr. Jeffrey MacDonald, who was appointed as the Chief Executive Officer May 1, 2015 after serving as the Interim Chief Executive Officer since February 2015 and the Chief Operating Officer since 2014.

The primary role of the Chief Executive Officer is to take overall supervisory and managerial responsibility for our day-to-day operations and management in order to achieve the goals and objectives as approved by the Board in the context of our strategic plan. This role includes, but is not limited to: (i) developing, implementing and maintaining our strategic plans; (ii) developing new strategic alliances to enhance shareholder value; (iii) providing high quality leadership to staff and ensuring that our human resources are managed properly; (iv) ensuring communications with our major stakeholders are managed in an optimum way and in accordance with applicable securities laws; (v) providing timely strategic, operational and reporting information to the Board; (vi) coordinating the preparation of an annual business plan; (vii) ensuring appropriate governance skills development and resources are made available to the Board; (viii) fostering an ethical culture throughout the organization; and (ix) taking responsibility for the administration of all of our sub-areas and administrative practices.

POLICIES

Ethical Business Conduct

In fulfilling its mandate and approving various decisions put forth by management, the Board ensures that the measures taken by management comply with Canadian securities regulations and other applicable legislation. Members of the Board are aware of their fiduciary duties in their capacity as directors, which are set out in the OBCA. In exercising their powers and discharging their duties, members of the Board are required to act honestly and in good faith with a view to the best interests of the Company, and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Board has adopted a written code of ethics titled the "Code of Business Conduct and Ethics" (the "**Ethics Code**"), which applies to all employees, officers and directors of the Company. The purpose of the Ethics Code is to, among other things, promote honest and ethical conduct, promote legal compliance,

promote the avoidance of conflicts of interest, provide mechanisms to report unethical conduct and help foster a culture of honesty and accountability for the Company. A copy of the Ethics Code is available under the Company's SEDAR+ profile at www.sedarplus.ca, or on the Company's website at www.ecosynthetix.com.

The Audit Committee is responsible for compliance issues relating to the Ethics Code, which, along with the Whistleblower Policy (described below), contains the procedures by which an individual can report actual or potential violations of the Ethics Code to the Chief Executive Officer or the Audit Committee. The Ethics Code provides that any violations of the Ethics Code by any employee, officer or director may be grounds for disciplinary action including termination of employment, office and directorship. Pursuant to the Ethics Code, directors, officers and employees of the Company are required to disclose to the Board in writing, any possible conflicts of interest, or request to have entered into the minutes of meetings of the Board the nature and extent of any such interest. The fiduciary duties placed on individual directors pursuant to corporate legislation and the common law, and the conflict of interest provisions under corporate legislation which restricts an individual director's participation in decisions of the Board in which the director has an interest, also ensure that the Board operates independently of management and in the best interests of the Company.

The Board adopted a "Corporate Disclosure, Confidentiality and Insider Trading Policy", which is governed by the Corporate Governance and Nominating Committee, to ensure, among other things: (i) that the Company complies with timely disclosure obligations under securities laws and the regulations of the stock exchanges on which the Company's securities are listed; (ii) the Company prevents the selective disclosure of material changes; (iii) that all communications to the public are informative, timely, factual, balanced, accurate and broadly disseminated; (iv) that persons to whom the policy applies understand their obligations to preserve the confidentiality of "undisclosed material information" (as defined in the policy); and (v) strict compliance by all insiders with all requirements relating to the reporting of insider trading and with respect to trading when in possession of material non-disclosed information. A copy of the Corporate Disclosure, Confidentiality and Insider Trading Policy is available on the Company's website at www.ecosynthetix.com.

Whistleblower Policy

The Board has adopted a written whistleblower policy (the "**Whistleblower Policy**") which establishes procedures for: (i) the receipt and treatment of complaints received by the Company regarding accounting, internal accounting controls, auditing matters or violations of the Ethics Code; and (ii) the submission by employees of the Company, on a confidential and anonymous basis, of concerns regarding questionable accounting, auditing matters or violations of the Ethics Code. A copy of the Whistleblower Policy is available on the Company's website www.ecosynthetix.com.

Investigations

Following the receipt of any complaints submitted under the Whistleblower Policy, the Audit Committee will investigate each matter so reported and shall notify the Board and the Chief Executive Officer of such investigations. If so determined, the Audit Committee will take corrective and disciplinary actions where appropriate, which may include, alone or in combination, a warning or letter of reprimand, demotion, loss of merit increase or bonus, suspension without pay or termination of employment. The Audit Committee shall retain as a part of the records of the Audit Committee any such complaints or concerns for a period of no less than seven years.

Majority Voting Policy

Upon recommendation from the Corporate Governance and Nominating Committee, the Board has adopted the Majority Voting Policy in which shareholders vote for each nominee director individually by either voting "for" or "withhold". Any director must immediately tender his or her resignation to the Board if he or she is not elected by "in favour" votes that represent at least a majority (50% +1 vote) of the votes cast with respect to his or her election. The Corporate Governance and Nominating Committee will expeditiously consider the director's offer to resign and make a recommendation to the Board whether to accept it. The Board will promptly, and in any event within 90 days of the shareholders' meeting, determine whether to accept the

director's resignation or not after considering the recommendation of the Corporate Governance and Nominating Committee and, in so doing, may consider the factors considered relevant by the Corporate Governance and Nominating Committee and such additional information and factors that the Board considers to be relevant. The Board shall accept the resignation absent exceptional circumstances, and the resignation will be effective when accepted by the Board. Following the decision of the Board, the Board shall promptly disclose, by way of press release (a copy of which will be provided to the TSX), its decision whether to accept the director's resignation, including the reasons for rejecting the resignation, if applicable. Any director who tenders his or her resignation will not attend any meetings of, or participate in any deliberations of, the Corporate Governance and Nominating Committee or the Board, where such director's resignation is considered, except that, if necessary, such director may attend such meetings solely for the purpose of establishing quorum. A copy of the Majority Voting Policy is available on the Company's website www.ecosynthetix.com.

Diversity

The Board values, and is committed to fostering, a diverse environment where individual differences are respected both at the Board level, and within the Company generally.

On March 2, 2020, the Board adopted a written diversity policy (the "**Diversity Policy**"), which was most recently amended on February 28, 2023, which is governed by the Corporate Governance and Nominating Committee, to ensure, among other things: (i) that the Company fosters a diverse environment where the ability to contribute and access employment opportunities is based on performance, skill and merit, while actively promoting diversity in leadership positions throughout the Company; (ii) that the Company identifies and addresses systemic barriers that negatively impact diversity within the Company; (iii) that the Company creates a workplace characterized by inclusive practices and behaviours for the benefit of all staff and stakeholders, which is free from bullying, harassment and discriminatory behaviours; and (iv) that the Company establishes procedures for monitoring, encouraging and assessing diversity within the Company. The Board assesses the mix of skills, experience, and other relevant factors, including diversity, of its members on an annual basis. Pursuant to the Diversity Policy, the Board and the Corporate Governance and Nominating Committee will review and discuss the level of representation of women, visible minorities and indigenous persons on the Board and at the senior management level at least annually and consider the effectiveness of the Diversity Policy in increasing the representation of women, visible minorities and indigenous persons on the Board and at the senior management level. Further, in an effort to increase the representation of women, visible minorities and indigenous persons on the Board and at senior management levels, when identifying new candidates to recommend for election or appointment to the Board or appointment to the senior management team, the Board will consider engaging qualified external advisors to conduct a search for candidates that meet the Board's and/or senior management team's criteria. If such external advisors are engaged, they will be instructed to put forward a diversity of candidates, including female, visible minority and indigenous candidates.

Pursuant to the Diversity Policy, the Board has set a target to have at least two women nominees on the Board, or a minimum 30% female member representation, whichever is greater. As of the date hereof, two out of five members, or 40%, of the Board are female. The Diversity Policy does not, except as set out above, mandate quotas or set targets for the number of visible minorities or indigenous persons on the Board.

While the Company endeavours to also promote diversity on the senior management team, the Company does not mandate quotas based on any specific area of diversity and specifically does not set targets for females, visible minorities or indigenous persons in senior management positions at the Company. There is not currently a target for female, visible minority or indigenous members of senior management as the Company operates in a very specialized industry and at the size and stage of the Company's current operations, it was determined that a target was not feasible. However, the Company is committed to reviewing the implementation of such a target as part of the Company's future recruitment strategies. As of the date hereof, there are no females, visible minorities or indigenous persons in the four executive management positions, representing zero percent.

As of the date hereof, the Company has 26 employees, primarily located in Canada and the United States, of which 23% are female, 31% are visible minorities and nil are indigenous persons.

All Board, senior management and team appointments will be made on merit, in the context of the skills, experience, independence, knowledge and other qualities which the Board, senior management and team, each as a whole, requires to be effective, with due regard for the benefits of diversity, including the level of representation of women on the Board of Directors and/or senior management team. In addition to the foregoing, the Board recognizes that it is the responsibility of everyone at the Company to sustain a culture that promotes and supports principles of diversity and inclusivity. The Company also does not condone any activity that might violate anti-discrimination, equal employment or other laws and regulations.

Environmental, Social and Governance

On January 14, 2022, the Board adopted an environmental, social and governance policy of the Company (the “**ESG Policy**”), which is governed by the Corporate Governance and Nominating Committee, to set out a framework for the corporate objectives, goals, strategies, and activities relating to environmental, social and governance (“**ESG**”) responsibilities relating to the Company’s business performance and to guide its ESG disclosure in regulatory filings. Pursuant to the ESG Policy, the Company aimed to embed environmental stewardship in all aspects of its business and made the following “Carbon Commitment”: in 2022, carbon footprint reductions enabled by the use of the Company’s products by its customers were targeted to offset 100% of the carbon emissions associated with the Company’s business during such year, resulting in a 1:1 carbon cover and the Company being climate positive. The Company’s mid-term goal is to have a 1.5:1 carbon cover by 2027, meaning the carbon footprint reductions enabled by the use of our products by our customers should avoid 150% of the carbon emissions associated with our business. During fiscal year 2023, the Company did not achieve its carbon cover target due to lower sales volumes than target, however, the Company remains committed to its mid-term goal to have a 1.5:1 carbon cover by 2027 and the business being climate positive. Management is responsible for measuring customer enabled carbon footprint reductions and the Company’s internal carbon footprint annually, identifying improvement areas and tracking annual net impact.

Pursuant to the ESG Policy, the Company has also committed to innovation and developing new products which will have a positive impact on the planet and the Company’s stakeholders. The Company’s product development efforts focus on sustainable chemistries which can be produced by manufacturing processes adhering to the 12 Principles of Green Chemistry where the customer value proposition is strong and commercial success will benefit the planet and our stakeholders. The Company will partner with recognized leaders to help them make a meaningful step in their carbon footprint goals and will strive to invest greater than 3% of sales annually into research and development. During the fiscal year 2023, the Company invested 18% of sales into research and development, exceeding this target.

ELEMENTS OF DIRECTOR COMPENSATION

The objectives of our compensation program for directors are to attract, retain and inspire performance of members of the Board of a quality and nature that will enhance our sustainable profitability and growth, while taking into account the risks and responsibilities of being an effective director. The compensation is intended to provide an appropriate level of remuneration considering the experience, responsibilities, time requirements and accountability of directors. The Compensation Committee believes that the compensation policy and its principles provide for competitive and reasonable compensation levels.

In 2016, the Board adopted a policy whereby all non-executive directors are now required to hold an equity interest in the Company to align their long-term interests with those of the shareholders. The Board has adopted a policy guideline requiring non-executive directors to acquire Common Shares having an initial acquisition value equal to at least three times the value of their annual retainer. Directors are expected to achieve this level of ownership within five years from the date they become directors and may apply any DSUs they receive as payment for all or part of their annual retainer towards this minimum equity ownership requirement. See “*Statement of Corporate Governance Practices – Board of Directors – Equity Ownership by Directors*”, below, and see “*Election of Directors*” for the current shareholdings of our director nominees.

HOW DIRECTOR COMPENSATION IS DETERMINED

The philosophy, and market comparisons and review with respect to director compensation, is the same as for executive compensation (which is discussed under the heading “*Statement of Executive Compensation*”). The Corporate Governance and Nominating Committee reviews director compensation annually and makes recommendations to the Board. Compensation includes (i) an annual retainer and (ii) meeting fees. Directors may choose to take all or part of their retainer and meeting fees in cash or in DSUs in lieu of cash.

STANDARD COMPENSATION ARRANGEMENTS

Fees and Retainers

Compensation for all non-executive directors (including the Chair and the Chair of the Audit Committee) is comprised of an annual non-executive director retainer and a board meeting fee. The Chair and the Chair of the Audit Committee also receives a Chair fee each year. All director compensation is payable to directors either in cash, DSUs in lieu of cash, or a mixture of the two, at the election of the director.

The following tables sets forth the compensation structure for the directors as of December 31, 2023. The compensation structure for directors is set in May of each financial year.

Non-Executive Chair⁽¹⁾		Non-Executive Directors other than the Chair or the Audit Committee Chair⁽¹⁾	
Compensation Component	Amount⁽²⁾	Compensation Component	Amount⁽²⁾
Non-Executive Director Retainer ⁽³⁾	\$55,569	Non-Executive Director Retainer ⁽³⁾	\$55,569
Board Meeting Fee ⁽⁴⁾	\$11,114	Board Meeting Fee ⁽⁴⁾	\$11,114
Chair’s Fee	\$9,632	Total⁽⁵⁾	\$66,683
Total⁽⁵⁾	\$76,315		

Audit Committee Chair⁽¹⁾	
Compensation Component	Amount⁽²⁾
Non-Executive Director Retainer ⁽³⁾	\$55,569
Board Meeting Fee ⁽⁴⁾	\$11,114
Audit Committee Chair’s Fee	\$3,705
Total⁽⁵⁾	\$70,388

Notes:

- (1) All amounts shown in the table have been converted to U.S. dollars at the Annual Exchange Rate.
- (2) Paid in the form of cash, DSUs in lieu of cash, or a mixture of the two, at the election of the director.
- (3) All directors are entitled to be reimbursed for expenses incurred by them in their capacity as directors.
- (4) Directors receive the board meeting fee in connection with their attendance at up to 15 meetings during the financial year.
- (5) Totals and other figures may not add due to rounding.

Equity-Based Compensation

Directors may elect to take any portion (up to 100%) of their compensation (either the non-executive director retainer, board meeting fee and/or, as applicable, Chair’s fee) in DSUs. For the financial year ended December 31, 2023, the following DSUs were awarded to non-executive members of the Board as part of such director’s overall compensation:

Name	Director Compensation Taken In DSUs		Director Compensation taken in Cash	Total Director Compensation Received ⁽⁵⁾
	Number of DSUs Awarded ⁽¹⁾	Value of DSUs Awarded ⁽²⁾⁽³⁾		
Susan Allen	34,050	\$70,388	NIL	\$70,388
Sara Elford ⁽⁴⁾	16,129	\$33,342	\$33,342	\$66,683
Paul Lucas	36,918	\$76,315	NIL	\$76,315
Jeffrey Nodland	32,258	\$66,683	NIL	\$66,683

Notes:

- (1) Represents the number of DSUs awarded to the director in connection with the portion of director compensation the director has elected to take in DSUs, in lieu of cash.
- (2) Represents the grant date fair value of DSUs when granted. The grant date fair value of DSUs is calculated based on the number of DSUs granted multiplied by the average closing price of a Common Share on the TSX for the five trading days immediately prior to the grant of DSUs. For grants of DSUs made to directors for the financial year ended December 31, 2023, the average closing price of a Common Share on the TSX for the five trading days immediately prior to the grant was C\$2.79 (\$2.07 at the Annual Exchange Rate).
- (3) DSU awards vest on a quarterly vesting schedule, with 25% of an award vesting in each consecutive quarter. As of the date of this management information circular, 75% of the DSUs awarded in the financial year ended December 31, 2023 have vested, with the remaining 25% set to vest on March 31, 2024.
- (4) For the financial year ended December 31, 2023, Ms. Elford elected to take half of her compensation in cash and half of her compensation in DSUs in lieu of cash.
- (5) Totals and other figures in this table may not add due to rounding.

The Company previously granted stock options to purchase Common Shares at a future date (each, an “**Option**”) to non-executive directors under the Company’s current stock option plan (the “**2011 Plan**”), however, upon the adoption of the DSU Plan by the Company, the Company’s general approach is to no longer grant Options to non-executive directors as compensation. Rather, the Company elects to issue DSUs to non-executive directors pursuant to the terms of the DSU Plan, which was approved by the Board on March 5, 2013 and approved by shareholders in 2013, with certain amendments approved by shareholders on May 23, 2018 and on May 17, 2021. In order to promote alignment with shareholders, the Company has not issued Options to non-executive directors under the 2011 Plan since August 2013. For additional information on the aggregate cost of equity compensation and dilution to the Company, see “Elements of Executive Compensation – Long Term Incentives – Cost of Equity Compensation Plans”.

DSU Plan

On May 8, 2013, shareholders of the Company approved a deferred share unit plan (the “**DSU Plan**”) pursuant to which the Company may grant deferred share units (“**DSUs**”). Under the DSU Plan, non-executive directors may receive a grant of DSUs in satisfaction of all or part of their non-executive director retainer and Board meeting fee in lieu of a cash payment. On May 17, 2021, shareholders of the Company approved an amendment to the DSU Plan which increased the number of Common Shares available for issuance under such plan from 1,000,000 to 2,000,000. The TSX also approved this amendment to the DSU Plan in 2021. A copy of the DSU Plan is available under the Company’s profile on SEDAR+ at www.sedarplus.ca.

Currently, DSU awards vest on a quarterly vesting schedule, with 25% of each award vesting each consecutive quarter. However, DSUs must be retained until the director leaves the Board, at which time the DSUs will be paid out in Common Shares with each DSU being equivalent to one Common Share. Each outstanding DSU held by a participant is redeemed by the Company on the participant’s separation date (as defined in the DSU Plan), less applicable statutory source deductions, and fractional DSUs will be cancelled. One Common Share for each whole DSU granted or credited to each participant (the “**DSU Payment**”) is paid to the participant on such date as the Company determines, not later than 60 days after the applicable separation date, without any further action on the part of the participant. In the event dividends are declared and paid, additional DSUs would be credited to reflect dividends paid on the Common Shares.

Where DSUs have been granted to a participant as director remuneration for a year, in the event such participant resigns or is not re-elected to the Board during that year, the participant will only be entitled to a

pro-rated DSU Payment in respect of his or her DSU award for that year. The pro-rated payment will be based on the number of days in such year that the participant was eligible under the DSU Plan.

Subject to certain adjustments, the maximum aggregate number of Common Shares that may be issued under the DSU Plan is 2,000,000 Common Shares. The aggregate number of Common Shares issuable to insiders (as such term is defined in the TSX Company Manual) pursuant to DSUs and all other security based compensation arrangements, at any time, shall not exceed 10% of the total number of Common Shares then outstanding. The aggregate number of Common Shares issued to insiders pursuant to DSUs and all other security based compensation arrangements, within a one year period, shall not exceed 10% of the total number of Common Shares then outstanding.

The Compensation Committee may, from time to time, in its absolute discretion, amend (without shareholder approval), modify and change the provisions of the DSU Plan, provided that no such amendment, modification or change to the provisions of the DSU Plan shall: (i) materially increase the benefits of the holder under the DSU Plan to the detriment of the Company and its shareholders; (ii) increase the number of Common Shares which may be issued pursuant to the DSU Plan, other than pursuant to Section 5.04 of the DSU Plan; (iii) reduce the range of amendments requiring shareholder approval contemplated under the DSU Plan; (iv) permit DSUs to be transferred other than for normal estate settlement purposes; (v) change insider participation limits which would result in shareholder approval being required on a disinterested basis; or (vi) materially modify the requirements as to eligibility for participation in the DSU Plan. Any such amendment, modification or change will only be effective upon approval by the Company's shareholders, if such approval is required by the TSX or any other regulatory authorities having jurisdiction over the Company.

In the event there is any change to the Common Shares, whether by reason of a share dividend, share split, reverse share split, consolidation, subdivision, reclassification or otherwise, an appropriate proportionate adjustment shall be made with respect to the number of DSUs then outstanding under the DSU Plan as the Board, in its sole discretion, may determine to prevent dilution or enlargement of rights associated with such DSUs outstanding. Subject to any applicable regulatory approval, all such adjustments, as determined by the Board, shall be conclusive, final and binding for all purposes of the DSU Plan.

The aggregate maximum number of Common Shares that may be reserved for issuance under the DSU Plan is 2,000,000, representing approximately 3.41% of the issued and outstanding Common Shares as of December 31, 2023. As of December 31, 2023, DSUs to acquire an aggregate of 842,357 Common Shares, representing approximately 1.44% of the issued and outstanding Common Shares, were outstanding under the DSU Plan. During 2023, 119,355 DSUs were granted under the DSU Plan, nil Common Shares were issued on vesting of DSUs granted under the DSU Plan and nil unvested DSUs expired and were forfeited under the DSU Plan. As of December 31, 2023, this leaves DSUs to acquire an aggregate of 745,926 Common Shares, representing approximately 1.27% of the issued and outstanding Common Shares, available for issuance under the DSU Plan.

DSU Awards

The table below shows (i) the maximum number of DSUs issuable under the DSU Plan, (ii) the number of DSUs granted and outstanding under the DSU Plan, and (iii) the number of DSUs available for grant under the DSU Plan, all as of December 31, 2023, and the percentage that such figures represent of the aggregate issued and outstanding Common Shares as of December 31, 2023, together with (x) the number of DSUs granted, (y) the number of DSUs vested and converted into Common Shares as a result of the vesting

conditions having been satisfied, and (z) the number of unvested DSUs that expired and were forfeited, under the DSU Plan during the financial year ended December 31, 2023:

	DSU Plan
Maximum share reserve	2,000,000 (3.41%) ⁽¹⁾
Total DSUs granted and outstanding	842,357 (1.44%) ⁽¹⁾
Total DSUs available for grant	745,926 (1.27%) ⁽¹⁾
DSUs granted during the financial year ended December 31, 2023	119,355
DSUs vested and converted into Common Shares during the financial year ended December 31, 2023	NIL
Unvested DSUs that expired and were forfeited during the financial year ended December 31, 2023 ⁽²⁾	NIL

Notes:

- (1) Quoted as a percentage of total outstanding Common Shares as of December 31, 2023.
(2) Unvested DSUs that expire and are forfeited become available to be regranted in the future.

The table below shows the DSU burn rate in accordance with the requirements of the TSX:

	2023 Burn Rate	2022 Burn Rate	2021 Burn Rate
DSU Plan	0.20%	0.12%	0.14%

Notes:

- (1) Annual burn rate is expressed as a percentage and is calculated by dividing the number of securities granted under the specific plan during the applicable financial year by the weighted average number of securities outstanding for the applicable financial year. The weighted average number of Common Shares outstanding is the number of Common Shares outstanding at the beginning of the period, adjusted by the number of Common Shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the Common Shares are outstanding as a proportion of the total number of days in the period.

DIRECTOR COMPENSATION TABLE

The following table provides information regarding compensation paid to the non-executive directors for the financial year ended December 31, 2023. Directors who are employees receive no additional compensation for serving on the Board and the compensation of such directors can be viewed in the section titled “*Elements of Executive Compensation – Summary Compensation Table*”, below.

Name	Fees earned (\$)⁽¹⁾	Share-based awards (\$)⁽²⁾	Option- based awards (\$)	Non-equity incentive plan compensation (\$)	Pension Value (\$)	All other compensation (\$)	Total (\$)⁽⁴⁾
Susan Allen	NIL	\$70,388	NIL	NIL	NIL	NIL	\$70,388
Sara Elford ⁽³⁾	\$33,342	\$33,342	NIL	NIL	NIL	NIL	\$66,683
Paul Lucas	NIL	\$76,315	NIL	NIL	NIL	NIL	\$76,315
Jeffrey Nodland	NIL	\$66,683	NIL	NIL	NIL	NIL	\$66,683

Notes:

- (1) Represents the portion of director compensation for the financial year ended December 31, 2023 (non-executive director retainer, board meeting fee and, if applicable, Audit Chair or Chair’s fee) the director has elected to be paid in cash, converted at the Annual Exchange Rate.
(2) Represents the portion of director compensation for the financial year ended December 31, 2023 that the director has elected to be paid in DSUs. The value of DSUs have been calculated based on the grant date fair value of the DSUs when granted. The grant date fair value of DSUs is calculated based on the number of DSUs granted multiplied by the average closing price of a Common Share on the TSX for the five trading days immediately prior to the grant of DSUs. For grants of DSUs made to directors for the financial year ended December 31, 2023, the average closing price of a Common Share on the TSX for the five trading days immediately prior to the grant was C\$2.79 (\$2.07 at the Annual Exchange Rate).

- (3) For the financial year ended December 31, 2023, Ms. Elford elected to take half of her compensation in cash and half of her compensation in DSUs in lieu of cash.
- (4) Totals and other figures in this table may not add due to rounding.

INCENTIVE PLAN AWARDS SUMMARY

The following tables provide information regarding the incentive plan awards for each non-executive director outstanding as of December 31, 2023.

Outstanding Share-Based Awards and Option-Based Awards

Name	Option-based Awards ⁽²⁾				Share-based Awards ⁽²⁾		
	Number of securities underlying unexercised options (#)	Option exercise price	Option expiration date	Value of unexercised in-the-money options	Number of shares or units of shares that have not vested (#) ⁽¹⁾	Market or payout value of share-based awards that have not vested(\$)	Market or payout value of vested share-based awards not paid out or distributed ⁽²⁾⁽³⁾
Susan Allen	NIL	N/A	N/A	N/A	8,513	\$22,707	\$481,233 (180,418 DSUs)
Sara Elford	NIL	N/A	N/A	N/A	4,033	\$10,757	\$74,504 (27,932 DSUs)
Paul Lucas	NIL	N/A	N/A	N/A	9,230	\$24,619	\$896,770 (336,206 DSUs)
Jeffrey Nodland	NIL	N/A	N/A	N/A	8,065	\$21,512	\$714,735 (267,960 DSUs)

Notes:

- (1) This column represents the DSUs awarded to current directors of the Company during the financial year ended December 31, 2023 that have not vested as of December 31, 2023. DSUs issued during the financial year ended December 31, 2023 vested on a quarterly vesting schedule, with 25% of the award vesting at the end of each consecutive quarter following issuance, being June 30, 2023, September 30, 2023, December 31, 2023 and March 31, 2024. As at December 31, 2023, 75% of DSUs awarded to current directors of the Company during the financial year ended December 31, 2023 had vested. As of the date of this management information circular, 75% of DSUs awarded to current directors of the Company during the financial year ended December 31, 2023 have vested, with the remaining 25% set to vest on March 31, 2024.
- (2) The market value of deferred share units has been calculated based on the closing price of the Common Shares on the TSX on December 31, 2023 of C\$3.60 (\$2.67 at the Annual Exchange Rate). These DSUs have not been paid to DSU holders as Common Shares. The value of the Common Shares awarded to DSU holders upon redemption will depend on the value of the Common Shares on the date of redemption.
- (3) This column includes the DSUs held by current directors of the Company as of December 31, 2023 that had vested as at such date but had not been paid out to such directors as at such date. DSUs issued during the financial year ended December 31, 2023 vested on a quarterly vesting schedule, with 25% of the award vesting at the end of each consecutive quarter following issuance, being June 30, 2023, September 30, 2023, December 31, 2023 and March 31, 2024. As at December 31, 2023, 75% of DSUs awarded to current directors of the Company during the financial year ended December 31, 2023 had vested. As of the date of this management information circular, 75% of DSUs awarded to current directors of the Company during the financial year ended December 31, 2023 have vested, with the remaining 25% set to vest on March 31, 2024.

Incentive Plan Awards – Value Vested or Earned During the Year

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year ⁽¹⁾⁽²⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Susan Allen	NIL	\$68,115	NIL
Sara Elford	NIL	\$32,264	NIL
Paul Lucas	NIL	\$73,853	NIL
Jeffrey Nodland	NIL	\$64,531	NIL

Notes:

- (1) Represents DSUs awarded to current directors of the Company during the financial year ended December 31, 2023, that have vested as of December 31, 2023. DSU awards issued during the financial year ended December 31, 2023 vested on a quarterly vesting schedule, with 25% of the award vesting at the end of each consecutive quarter following issuance, being June 30, 2023, September 30, 2023, December 31, 2023 and March 31, 2024. This column includes the DSUs issued during the financial year ended December 31, 2023 that vested during such financial year. As at December 31, 2023, 75% of DSUs awarded to current directors of the Company during the financial year ended December 31, 2023 had vested. As of the date of this management information circular, 75% of DSUs awarded to current directors of the Company during the financial year ended December 31, 2023 have vested, with the remaining 25% set to vest on March 31, 2024.
- (2) The market value of DSUs has been calculated based on the closing price of the Common Shares on the TSX on December 31, 2023 of C\$3.60 (\$2.67 at the Annual Exchange Rate) rather than the vesting date, as no Common Shares have actually been issued to current directors of the Company as a result of such vesting (DSUs must be retained until the director leaves the Board, at which time the DSUs will be paid out in Common Shares with each DSU being equivalent to one Common Share). The actual value of the Common Shares awarded to current directors of the Company upon redemption will depend on the value of the Common Shares on the date of redemption.

STATEMENT OF EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

We operate in a specialized industry that requires individuals to have certain specific skills and experiences. As a result, it is a highly competitive market for executives and the attraction and retention of talented and experienced executives is one of the key objectives of our executive compensation program.

Our overall objective is to achieve significant growth by commercializing a broad range of bio-based polymer and monomer products within paper and paperboard, building materials, personal care and other relevant markets in order to generate shareholder value while emphasizing long-term profitability. We have designed a compensation strategy that supports this business strategy by including performance-based incentives that reward our executives for achieving both annual and long-term business goals.

The following discussion describes the significant elements that comprise our executive compensation program, with particular emphasis on the process for determining compensation payable to the Chief Executive Officer, the Chief Financial Officer, and, other than the Chief Executive Officer and the Chief Financial Officer, each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity (collectively, the “**Named Executive Officers**” or “**NEOs**”) whose compensation was, individually, more than C\$150,000. The NEOs for the financial year ended December 31, 2023 were:

- Jeff MacDonald, Chief Executive Officer;
- Robert Haire, Chief Financial Officer and Corporate Secretary;
- Edward Van Egdorn, Senior Vice-President, Operations; and
- Ralph DeJong, Vice-President of Research and Development and Customer Solutions.

During the financial year ended December 31, 2023, there were no other executive officers or individuals acting in a similar capacity whose compensation was, individually, more than C\$150,000.

Compensation Governance

Role of the Compensation Committee

The Compensation Committee is established by the Board to assist the Board in fulfilling its responsibilities relating to human resources and compensation issues. The Compensation Committee ensures that we have an executive compensation plan that is motivational and competitive while meeting the objectives of our executive compensation program.

The Compensation Committee reviews and recommends the compensation philosophy and guidelines (a) for executive officers, for recommendation to the full Board for its consideration and approval, and (b) relating to all employees, including annual salary and incentive policies and programs, and material new benefit programs, or material changes to existing benefit programs. In addition, the Compensation Committee is responsible for (a) reviewing the Chief Executive Officer's goals and objectives for the upcoming year and providing an appraisal of such performance at the end of the year, (b) meeting with the Chief Executive Officer to discuss goals, objectives, compensation and performance of other senior executive officers, and (c) administering equity compensation plans and determining such issues as participation, allocation of Options, and vesting periods. The Compensation Committee is also responsible for establishing a peer group of comparable companies and a target competitive position for our executive compensation program.

The Board looks to the past experience and the skills of each director in determining the composition of the Compensation Committee. In forming the current Compensation Committee, the Board has strived to include a range of skills to ensure the Compensation Committee is comprised of directors that have the necessary experience to act independently and think analytically about our compensation practices.

The Board believes the Compensation Committee collectively has the knowledge, experience and background required to fulfill its mandate. All of the members of the Compensation Committee have direct experience in the public and private sectors, including substantial experience in the science and technology industry. By virtue of their experience in senior management positions and directorships and their extensive experience in governance and domestic markets, the Compensation Committee has the depth of knowledge and the diversity of skills necessary to make informed and independent decisions on compensation matters. The Compensation Committee is comprised of four independent directors. The current members of the Compensation Committee are Mr. Nodland (Chair), Mr. Lucas, Ms. Elford and Ms. Allen. See the section "*Particulars of Matters to be Acted Upon – Election of Directors – Nominees for Election to the Board*" for a complete biography for each member of the Compensation Committee, including the skills and experiences relevant to their role on the Compensation Committee.

Role of the Executive Officers

The Chief Executive Officer makes recommendations to the Compensation Committee regarding the Company's annual business goals and objectives, which are considered and then recommended to and approved by the Board and provide the structure by which the annual goals and objectives of the executive officers and employees throughout the Company are aligned. In addition, the Chief Executive Officer makes recommendations to the Compensation Committee regarding executive officer base salary adjustments, target short-term incentive awards and actual payouts, and long-term incentive grants, which the Compensation Committee will then consider and recommend to the Board, as appropriate. The Chief Executive Officer does not make recommendations with respect to his own compensation package, which is determined by the Compensation Committee directly for recommendation to the Board.

In addition, the Chief Executive Officer makes recommendations to the Compensation Committee regarding employee participation in our equity-based compensation plans and amendments to such plans, as necessary.

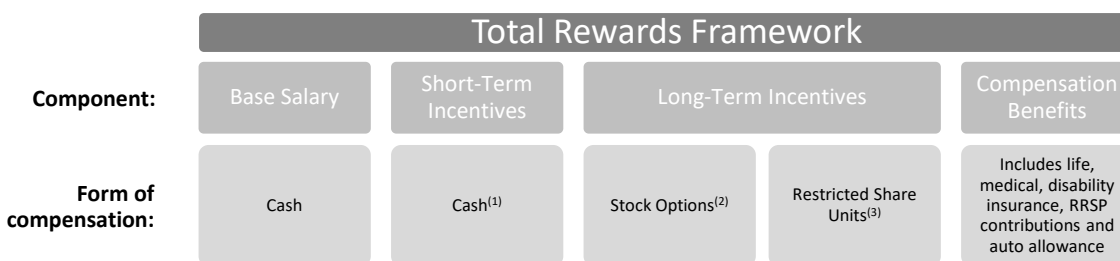
The Compensation Committee reviews the basis for the recommendations made by the Chief Executive Officer in addition to utilizing informal market comparisons and the assistance of external compensation consultants, as required. The Compensation Committee can exercise its discretion in modifying any of the recommendations from the Chief Executive Officer prior to making its recommendations to the Board. The

Board considers and grants final approval for executive compensation decisions, with decisions regarding the Chief Executive Officer being made by the non-executive directors of the Board (being all Board members other than the Chief Executive Officer).

Objectives of Compensation Program

The philosophy of our compensation program is to attract, retain and inspire performance of members of senior management of a quality and nature that will enhance our growth by combining short-term cash incentives and long-term equity incentives.

The Compensation Committee approved our total rewards framework (the “**Total Rewards Framework**”) which was implemented in 2013 and is based on market competitiveness and seeks to increase each employee’s equity in EcoSynthetix, taking into account the roles and responsibilities of each employee. The Total Rewards Framework is comprised of salary, short-term incentives, long-term incentives, and other compensation benefits for each employee. It provides a framework for prioritizing reward program initiatives, ensures the appropriate mix and distribution of rewards for differentiated levels of performance and employee development, and reinforces our commitment to our employees.



Notes:

- (1) Payment is subject to (i) the assessment of corporate performance against a specific set of performance criteria; and (ii) the assessment of individual performance achievements.
- (2) Options awarded are subject to time-based vesting conditions and may be subject to performance criteria, as applicable.
- (3) RSUs awarded are subject to time-based vesting conditions and may be subject to performance criteria, as applicable.

The objectives of the compensation program were developed on the above-noted philosophy and are as follows:

1. **Attract, Retain and Motivate Key Talent.** The Total Rewards Framework offers a mix of short and long-term incentives that allow executives to participate in our growth and provides a competitive package based on market evaluations. The goal is to retain executives who are performing according to their objectives, and to attract new individuals of the highest calibre.
2. **Align the Interest of Management and Shareholders.** The Total Rewards Framework provides that a portion of each executive’s total direct compensation is variable, or “at-risk”. This “at-risk” portion of compensation includes the short-term cash incentive, the value of which is linked to corporate and individual performance criteria during the year and a long-term incentive, the vesting of which may be linked to our overall corporate performance and is subject to time-based vesting. Our objective is to establish targets for our NEOs which, if achieved, will enhance shareholder value while ensuring that executives are not taking unnecessary risks. In addition, the ultimate value of long-term incentives is dependent on our long-term performance. If our performance falls short of achieving our expectations and objectives, “at-risk” compensation will decrease. Conversely, if individual or Company performance meets or exceeds our expectations, then “at-risk” compensation will commensurately increase.

Compensation Consultant

The Compensation Committee, from time to time, retains the services of independent advisors as needed in order to assist it in fulfilling its duties. In, 2023, the Compensation Committee engaged the services of Hugessen Consulting Inc. (“**Hugessen**”), as an independent compensation advisor to provide, among other things, continuing support and analysis to the competitiveness and appropriateness of the Company’s compensation practices (the “**2023 Compensation Analysis**”). For the financial year ended December 31, 2023, the scope of services provided by Hugessen included a review of the Company’s executive compensation pay levels and pay mix, and a review of the Company’s change of control processes.

Financial year ended December 31	Executive Compensation Related Fees (\$)	All Other Fees (\$)
2023	\$35,912	NIL
2022	NIL	NIL

Note:

- (1) Fees payable to Hugessen for the financial year ended December 31, 2023 were invoiced in Canadian dollars and have been converted using the Annual Exchange Rate.
- (2) “All other fees” were related to general compensation consulting services for non-executive employees.

Benchmarking

Although the Compensation Committee does not formally benchmark against particular companies, it does from time to time, on an *ad hoc* basis, review data related to compensation levels and programs of various companies that are similar in size to us and that operate within similar industries, and engages consultants from time to time to assist the Compensation Committee with such review. The Compensation Committee also relies on the experience of its members as officers and/or directors at other companies in similar lines of business in assessing compensation levels. The purpose of this process is to: (i) understand the competitiveness of current pay levels for each executive position relative to companies with similar revenues and business characteristics; (ii) identify and understand any gaps that may exist between actual compensation levels and market compensation levels; and (iii) establish a basis for developing salary adjustments and short-term and long-term incentive awards for the Compensation Committee’s approval.

Although the Compensation Committee reviews each element of a NEO’s compensation for market competitiveness, and it may weigh a particular element more heavily based on the NEO’s role within EcoSynthetix, it is primarily focused on remaining competitive in the market with respect to total compensation.

Risk Management

The Compensation Committee is responsible for ensuring that the application of the compensation policy is appropriately aligned to support its stated annual objectives and encourage the right management behaviours, while avoiding excessive risk-taking. Any relevant risk item related to executive or senior management compensation is discussed with and determined through active dialogue with the Compensation Committee and the Board.

The Board believes that the design of our compensation program mitigates against inappropriate risk taking and the Company has adopted practices that appropriately align compensation with the experience of shareholders. Specifically, the following practices have been adopted: (i) base salaries are fixed in amount; (ii) annual short-term incentive awards are based on various subjective and objective personal and company-wide achievements; and (iii) long-term incentives in the form of Options and RSUs are subject to time-based vesting schedules and may also be subject to performance-based vesting conditions that align employees’ interests with those of the shareholders and the ultimate value of the awards is tied to our stock price. During the financial year ended December 31, 2023, there were no risks identified by the Board that arose from our compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Clawback Policy

On May 2, 2017 the Board adopted a clawback policy (the “**Clawback Policy**”) regarding incentive payments made to the Company’s executive officers (including, the Chief Executive Officer; the Chief Financial Officer; the Senior Vice-President of Operations; the Vice-President, Research and Development and Customer Solutions; and any senior officer who acts in a capacity similar to an executive officer of the Company).

The Clawback Policy permits the Board to require reimbursement of incentive compensation (including Options under the 2011 Plan, RSUs and STIP Awards (defined below)) paid or granted to any current or former executive officer in situations where each of the three conditions are met: (i) the incentive compensation paid was contingent on having achieved financial results which were subsequently the subject of, or affected by, a material restatement of all or a portion of the Company’s financial statements; (ii) the executive officer receiving such incentive payment engaged in intentional misconduct, fraud or gross negligence that caused or partially caused the need for restatement; and (iii) the incentive compensation payment would have been lower had the financial results been properly reported. In such circumstances (and where the Board determines it is in the best interest of the Company to do so), the Board may require the executive officer in question to reimburse all or part of the incentive compensation received (up to the amount by which the incentive compensation received exceeded the amount to which the executive officer would have otherwise been entitled had the financial results been properly reported). The Clawback Policy permits the Board to require reimbursement for incentive compensation received by an executive officer under the Company’s short-term and long-term incentive plans during the 24-month period which precedes the date of any such restatement of financial results.

Share Ownership Policy

On March 2, 2018, the Board adopted a share ownership policy (the “**Ownership Policy**”) intended to align the interests of the Chief Executive Officer and executive leadership team members of the Company (collectively the “**executive officers**”) with those of the Company’s shareholders. The Ownership Policy achieves this by requiring executive officers of the Company to own a significant number of Common Shares.

For the purposes of determining Common Share ownership of a particular executive officer, Common Shares and RSUs owned directly by such individual, such individual’s spouse, any minor children that share the same home as such individual, any trust in which the individual and/or the individual’s spouse is a trustee with voting and investment power, and any private corporate entity which is at least 50% owned by any combination of the foregoing, are included. Common Shares issuable upon the exercise of Options (whether or not such Options have vested), common share purchase warrants or any other convertible securities of the Company (other than RSUs) are not treated as Common Shares owned by such individual for the purposes of the Ownership Policy.

The ownership requirements under the Ownership Policy are as follows:

- a) The Chief Executive Officer is required to hold Common Shares having an aggregate value of at least two times his or her annual base salary as at the date the individual first became an executive officer.
- b) Each of the Company’s executive leadership team members are required to hold Common Shares having an aggregate value of at least one times his or her annual base salary as at the date the individual first became an executive officer.

Executive officers will be deemed to have satisfied the applicable ownership guidelines specified in a) and b) above (the “**Relevant Threshold**”) following the date on which either the: (A) aggregate price paid by the executive officer for Common Shares equals or exceeds the Relevant Threshold; or (B) fair market value of the outstanding Common Shares held by the executive officer equals or exceeds the Relevant Threshold.

Executive officers are required to comply with the Ownership Policy by the fifth anniversary of the later of the date of such individual's date of hire and the date of implementation of the Ownership Policy. As of the date hereof, all of the executive officers are in compliance with the Ownership Policy.

Anti-Hedging and Anti-Monetization Policy

On March 2, 2018, the Board adopted an Anti-Hedging Policy (the "**Hedging Policy**") prohibiting directors of the Company and executive officers (collectively "**Responsible Parties**") to hedge or monetize transactions to lock in the value of, or engage in speculative trading in, equity and equity-linked holdings in the Company. The objective of the Hedging Policy is to prohibit Responsible Parties from directly or indirectly engaging in hedging against future declines in the market value of any equity-based securities of the Company through the purchase of financial instruments designed to offset such risk.

ELEMENTS OF EXECUTIVE COMPENSATION

Guided by our compensation objectives and in accordance with the Total Rewards Framework, the Compensation Committee uses base salary, short and long-term incentives and other compensation benefits, each as further discussed below, in order to meet our compensation objectives. The Company does not anticipate making any significant changes to the executive compensation program during the next financial year.

"At-risk" compensation (being short-term incentives + long-term incentives) is targeted to comprise approximately 60% of total compensation for the Chief Executive Officer, approximately 50% of total compensation for the Chief Financial Officer, approximately 47% of total compensation for the Senior Vice-President, Operations and approximately 43% of total compensation for the Vice-President of Research and Development and Customer Solutions.

While the Company strives to target "at-risk" compensation as detailed above, the following table shows the percentage weighting of each component of the NEOs salary, short-term incentive and long-term incentive compensation for the financial year ended December 31, 2023 based on actual compensation received for the financial year.⁽¹⁾

Name and Position	Base Salary	Short-Term Performance Incentive	Long-Term Performance Incentive	Total Percentage of Pay "At Risk"
Jeff MacDonald <i>Chief Executive Officer</i>	51%	6%	43%	49%
Robert Haire <i>Chief Financial Officer and Corporate Secretary</i>	62%	6%	32%	38%
Edward Van Egdorn <i>Senior Vice-President, Operations</i>	66%	6%	28%	34%
Ralph DeJong <i>Vice-President of Research and Development and Customer Solutions</i>	71%	6%	24%	29%

Note:

(1) Totals may not add due to rounding.

BASE SALARY

Base salaries are a fixed element of compensation, which are paid in cash and are designed to attract and retain executives. Base salaries for executive officers are established based on the scope of their responsibilities, their prior relevant experience, and a subjective assessment of the individual's experience, recent and long-term performance and expected future contribution and retention requirements. In determining base salary, the Compensation Committee takes into account compensation paid by other companies in the industry for similar positions to ensure competitiveness and the overall market demand

for such executives at the time of hire. Base salaries are used as the base to determine other elements of compensation and benefits.

NEO base salaries are also determined by reviewing each and all of the executive officer's compensation elements (i.e. base salary, short-term and long-term incentives and benefits, including registered retirement savings plan (“RRSP”) contributions, etc.) to ensure that the NEO's total compensation is in line with the Company's overall compensation philosophy and market practices. The Chief Executive Officer will make a recommendation to the Compensation Committee regarding annual base salary adjustments for the executive officers, other than in respect of his own salary, which is determined by the Compensation Committee. The Compensation Committee will consider recommendations made by the Chief Executive Officer and will, as appropriate, make recommendations to the Board in respect of annual base salary adjustments for executive officers and the Chief Executive Officer's salary.

The Compensation Committee reviews base salaries annually as part of its overall review of compensation practices. Base salaries may be increased for merit reasons, based on the NEOs' success in achieving or exceeding individual annual performance objectives and may be adjusted for promotions or retention requirements, or other changes in the scope or breadth of an NEO's role or responsibilities. Market compensation rates may also be utilized in determining base salary adjustments for increased scope of accountability.

For the financial year ended December 31, 2023, the following base salaries were paid to the NEOs:

Name and Position	Base Salary ⁽¹⁾
Jeff MacDonald <i>Chief Executive Officer</i>	\$335,516
Robert Haire <i>Chief Financial Officer and Corporate Secretary</i>	\$280,985
Edward Van Egdorn <i>Senior Vice-President, Operations</i>	\$241,571
Ralph DeJong <i>Vice-President of Research and Development and Customer Solutions</i>	\$166,832

Note:

(1) Salary is determined and paid in Canadian dollars, and has been converted using the Annual Exchange Rate.

SHORT-TERM INCENTIVES

Short-term incentives are a variable element of the total compensation package and are designed to reward our executive officers for maximizing our overall annual performance. Two factors are considered when determining short-term incentive awards for NEOs: (i) the assessment of corporate performance against a specific set of performance criteria; and (ii) the assessment of individual performance achievements. Our short-term incentive program includes both objective and subjective criteria.

Pursuant to the Company's short-term incentive compensation process, the value of each NEO's short-term incentive target for a particular year (the “**Target STIP Award**”) is set out as a percentage of each NEO's base salary (the “**STIP Target**”), as determined in accordance with each NEO's employment agreement with the Company, and reflects the significance of each NEO's position and level of responsibility. The STIP Targets for the Chief Executive Officer, Chief Financial Officer and Corporate Secretary, Senior Vice-President, Operations and Vice-President of Research and Development and Customer Solutions are 50% of base salary, 40% of base salary, 40% of base salary and 35% of base salary, respectively. The amount of a NEO's short-term incentive award payment for a particular year will then be determined by multiplying the Target STIP Award first by a “Corporate Performance Score” determined by the Compensation Committee (see the section titled “*Corporate Performance*” below for further details), and then by the NEO's individual performance score. The Company's objective with respect to short-term incentives is to first reward individuals in recognition of overall company performance, and then to reward an executive's individual performance only after target Company Performance has been

achieved. For further details, see the headings “*Corporate Performance*” and “*Individual Performance*”, below.

The Chief Executive Officer will determine whether the respective corporate and individual objectives have been achieved (other than individual objectives with respect to the Chief Executive Officer’s own objectives, which are evaluated by the Compensation Committee) and the Compensation Committee will review the evaluation and make short-term incentive payout recommendations to the Board for final approval. Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day-to-day corporate activities, will trigger the award of a bonus payment to the NEOs. The NEO will receive a partial or full incentive payment depending on the number of the predetermined targets met and the Compensation Committee’s and the Board’s assessment of overall performance. Although based on the recommendation of the Chief Executive Officer, the determination as to whether a target has been met is ultimately made by the Board and the Board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate. Short-term incentive awards for a NEO for any one year are capped at 200% of the Target STIP Award.

The annual short-term incentive award is calculated as follows:

$$\text{Short-Term Incentive Award} = \left(\text{Base Salary } (\$) \times \text{STIP Target } (\%) \times \text{Corporate Performance Score } (\%) \right) \times \text{Individual Performance Score } (\%)$$

}
Target STIP Award (\$)

Corporate Performance

Corporate performance is based on targets for specific objective measures. At the beginning of a financial year, the Chief Executive Officer will determine the corporate performance objectives, and the Compensation Committee approves the proposed corporate scorecard. Actual performance of each objective is assessed at the end of the year and a representative percentage score is determined (the “**Corporate Performance Score**”) by the Chief Executive Officer. The Chief Executive Officer will make a recommendation to the Compensation Committee as to the quantum of the Corporate Performance Score, which recommendation will be reviewed and assessed by the Compensation Committee, and the Corporate Performance Score will then be approved or modified by the Compensation Committee in its sole discretion. The Compensation Committee will, in turn, make a recommendation to the Board as to the quantum of the Corporate Performance Score for the Board’s final approval. The Board has the flexibility to exercise discretion to modify the final score.

In the financial year ended December 31, 2023, the corporate performance targets comprising the Corporate Performance Score for short-term incentive awards were allocated as follows:

Target	Weight	Percentage of Target Achieved
Revenue ⁽¹⁾	30%	Did not achieve
Adjusted EBITDA ⁽²⁾	30%	Did not achieve
Operating Expenses ⁽³⁾	15%	Achieved
Strategic Objectives ⁽⁴⁾	25%	Partially achieved
Corporate Performance Score	100%	28.5%

Notes:

- (1) The purposes of the revenue target is to tie short-term incentives to financial performance in 2023.
- (2) “Adjusted EBITDA” is defined as consolidated net income (loss) before interest, income taxes, depreciation, amortization, impairment loss on property, plant and equipment (“**PP&E**”), gain or loss on disposals of PP&E, accretion, and other non-cash

expenses deducted in determining consolidated net income (loss). The Company uses Adjusted EBITDA as a metric to assess corporate performance because it believes it is an accurate representation of the core operating costs which are within the control of the Company's management to manage in accordance with the Company's business plan for any particular financial year.¹

- (3) Operating expenses are defined as selling, general and administrative expenses and research and development expenses adjusted for depreciation, amortization and share-based compensation.
- (4) The purpose of strategic objectives as a corporate performance target is to provide an incentive to accelerate the Company's growth trajectory through the development of new products and markets and the realization of future revenues from these sources. The Company's strategic objectives process involves the Company's management, in consultation with the Board, identifying new products or markets that have the potential to deliver near-term revenue growth and commercialization. The Company then focuses innovation and development efforts on the products or markets to develop them into a near-term revenue source. To be eligible for inclusion in the strategic objectives target for a particular year's short-term incentive compensation, a new product or market must: (i) be anticipated to achieve full commercialization by the end of the current financial year, and (ii) must meet certain budget process criteria and have been included in budget commitments for the following year.

After assessing the Company's achievement with respect to its goals and the corporate performance target, the Board, at the recommendation of the Compensation Committee, determined that the operating expenses component of the corporate performance targets established for the financial year ended December 31, 2023 had been achieved. The Board, at the recommendation of the Compensation Committee, determined that the strategic objectives component of the corporate performance targets established for the financial year ended December 31, 2023 had been partially achieved. The Board, at the recommendation of the Compensation Committee, determined that the revenue and Adjusted EBITDA components of the corporate performance targets established for the financial year ended December 31, 2023 had not been achieved. A final corporate performance score of approximately 28.5% was recommended by the Compensation Committee and approved by the Board.

Individual Performance

Individual performance is based on both quantitative measures and qualitative strategic and operational considerations related to each NEO's role in the Company. Short-term incentive compensation based on individual performance is based on two components: (i) the individual's performance rating based on their "individual performance scorecard", and (ii) their position's salary grade.

Individual performance ratings are based on various metrics of objective criteria established at the start of a financial year, which criteria are closely aligned with the Company's corporate performance targets and are designed to support achievement of such targets, together with a subjective assessment (for all NEOs except for the Chief Executive Officer) by the Chief Executive Officer of that NEO's achievement of personal business-oriented goals such as percentage completion of all personal annual management objectives, specific key role accountabilities, and overall contribution to the Company's strategic growth. The Chief Executive Officer's short-term incentive payout is based on the Compensation Committee's assessment of the Chief Executive Officer's individual performance score card rating together with an assessment of the degree to which he or she achieved corporate and personal business-oriented goals in the year. The Compensation Committee considers and makes a recommendation as to the Chief Executive Officer's performance score to the Board for approval.

After assessing the Company's corporate performance targets as well as each NEO's individual performance rating, including assessing the achievement of each NEO's objective criteria and personal business-oriented goals, the Board, at the recommendation of the Chief Executive Officer in respect of each NEO (other than the Chief Executive Officer), and at the recommendation of the Compensation Committee in respect of the Chief Executive Officer, approved an individual performance score of 100% for each NEO. The consistent scoring across each NEO was intended by the Board to reflect and incentivize the team-based approach and concerted effort required at the management level to implement the Company's path to sustainable growth and profitability, and is aligned with the corporate performance score for 2023.

¹ Adjusted EBITDA is not a measure recognized under international financial reporting standards ("IFRS") and does not have a standardized meaning prescribed by IFRS. A quantitative reconciliation of Adjusted EBITDA to net loss is available in the section titled "Adjusted EBITDA" on page 9 of the Company's Management's Discussion and Analysis for the financial years ended December 31, 2023 and 2022, which is available for access and download on SEDAR+ at www.sedarplus.ca. The section titled "Adjusted EBITDA" on page 9 of the Company's Management's Discussion and Analysis for the financial years ended December 31, 2023 and 2022 is incorporated by reference herein.

Short-Term Incentive Payouts

Short-term incentive payouts for the financial year ended December 31, 2023 were determined and awarded on February 23, 2024 on the basis described above with respect to each of the listed NEO's performance during the financial year ended December 31, 2023.

Name and Position	Short-Term Incentive Payment⁽¹⁾⁽²⁾
Jeff MacDonald <i>Chief Executive Officer</i>	\$47,790
Robert Haire <i>Chief Financial Officer and Corporate Secretary</i>	\$32,008
Edward Van Egdorn <i>Senior Vice-President, Operations</i>	\$27,525
Ralph DeJong <i>Vice-President of Research and Development and Customer Solutions</i>	\$16,634

Notes:

- (1) Short-term incentive payouts are targeted with reference to the STIP Target and are ultimately based on an assessment of (i) corporate performance against a specific set of performance criteria (see the section titled "Corporate Performance" above, for further details); and (ii) individual performance achievements.
- (2) All short-term incentive payouts are paid in Canadian dollars and reported herein in US dollars after being converted at the Annual Exchange Rate.

As a result of corporate and individual performance discussed herein, short-term incentive payments in the amounts set forth in the table directly above were paid to certain NEOs in connection with the financial year ended December 31, 2023.

LONG-TERM INCENTIVES

The Company's long-term incentive program ensures that each of the executive officers and specific senior managers (i) work towards achieving our long-term growth objectives and increasing the Company's share performance; and (ii) benefit from the future success of the organization along with shareholders.

Long-term incentive awards are a variable element of compensation that will allow executive officers and certain senior managers to be recognized and rewarded for their sustained contributions to the Company's financial performance and growth.

The Company's long-term incentive program is currently comprised of Options and restricted share units ("**RSUs**"), each of which may be subject to performance and time-based vesting conditions.

Options are governed by the 2011 Plan, which allows for the grant of Options to the Company's employees, directors, senior officers and consultants with vesting of those Options being subject to the terms of the 2011 Plan, any performance conditions imposed by the Board upon recommendation by the Compensation Committee, and the optionee's continued service to the Company. A copy of the 2011 Plan is available under the Company's profile on SEDAR+ at www.sedarplus.ca. See "*Elements of Executive Compensation – Long-Term Incentives – Stock Options*".

RSUs are governed by the Company's restricted share unit plan (the "**RSU Plan**"), which provides for the grant of RSUs to certain eligible employees and contractors, with those RSUs being subject to the terms of the plan, any performance conditions imposed by the Compensation Committee and the grantee's continued employment with the Company. A copy of the RSU Plan is available under the Company's profile on SEDAR+ at www.sedarplus.ca. See "*Elements of Executive Compensation – Long-Term Incentives – RSUs*".

Pursuant to the Company's long-term incentive program, the value of each NEO's long-term incentive awards granted for a particular year is set out as a percentage of each NEO's base salary (the "**LTIP Target**"), as determined in accordance with each NEO's employment agreement with the Company, and

reflects the significance of each NEO's position and level of responsibility. The LTIP Targets for the Chief Executive Officer, Chief Financial Officer and Corporate Secretary, Senior Vice-President, Operations and Vice-President of Research and Development and Customer Solutions are 100% of base salary, 60% of base salary, 50% of base salary and 40% of base salary, respectively.

The Board believes that Options and RSUs provide management with a strong link to long-term corporate performance and the creation of shareholder value. Options will typically comprise 50% of a NEO's long-term incentive award (on an expected value basis), with RSUs comprising the remaining 50% (on an expected value basis). For the financial year ended December 31, 2023, the number of Options and RSUs granted to NEOs aligned with the intended allocation described above.

The Board awards long-term incentives taking into account the individual executive's position, scope of responsibility, ability to affect profits, historic and recent performance, and the value of the awards in relation to other elements of their total compensation. The Board will take previous grants of Options and RSUs into consideration when considering new grants of Options and RSUs.

Performance Vesting Conditions

When an award of Options or RSUs subject to a performance vesting condition is made, the Compensation Committee will recommend to the Board annual and absolute corporate performance targets and thresholds, together with a time-based vesting schedule. The Board may approve or modify such recommendation. The Board also has the authority to amend the performance vesting conditions for any Option previously granted, provided such amendments are otherwise in accordance with the terms of the 2011 Plan.

Options or RSUs awarded to NEOs which are subject to performance vesting conditions operate on a three-year vesting schedule subject to attaining any one of the following conditions ("**LTIP Target**"):

- 1) **Achieving Annual Revenue Target** – The annual revenue target is approved by the Board at the recommendation of the Compensation Committee over the three year vesting period; or
- 2) **Achieving Annual Adjusted EBITDA Target** – Adjusted EBITDA for the purposes of the long-term incentive program ("**LTIP**") is defined as consolidated net income (loss) before interest, income taxes, depreciation, amortization, impairment loss on PP&E, gain or loss on disposals of PP&E, accretion, and other non-cash expenses deducted in determining consolidated net income (loss). The Company uses Adjusted EBITDA as a metric to assess corporate performance because it believes it is an accurate representation of the core operating costs which are within the control of the Company's management to manage in accordance with the Company's business plan for any particular financial year.²

At the time of grant the Board, at the recommendation of the Compensation Committee, also establishes a minimum level of corporate performance below which no vesting of Options or RSUs will occur (the "**LTIP Threshold**") in the event actual performance does not meet the targeted performance hurdles established for the two LTIP vesting conditions noted above. The LTIP Threshold has been established at 80% for each of the two performance conditions noted above.

Concurrent with the setting of the LTIP Target, the Board, at the recommendation of the Compensation Committee, will also set a "**Three Year Adjusted EBITDA Target**". If the Three Year Adjusted EBITDA Target is met in any year of the three year vesting period of the Options or RSUs, 100% of the awards will vest in the year in which the Three Year Adjusted EBITDA Target is met.

² Adjusted EBITDA is not a measure recognized under IFRS and does not have a standardized meaning prescribed by IFRS. A quantitative reconciliation of Adjusted EBITDA to net loss is available in the section titled "Adjusted EBITDA" on page 9 of the Company's Management's Discussion and Analysis for the financial years ended December 31, 2023 and 2022, which is available for access and download on SEDAR+ at www.sedarplus.ca. The section titled "Adjusted EBITDA" on page 9 of the Company's Management's Discussion and Analysis for the financial years ended December 31, 2023 and 2022 is incorporated by reference herein.

Option or RSU awards subject to performance and time-based vesting conditions have the potential to vest over the course of three years based on a vesting schedule set by the Board, upon recommendation by the Compensation Committee, at the time the award is granted.

If actual corporate performance meets the LTIP Target, one third of the Option grant or RSU award will vest in the year in which the LTIP Target is met, up to a maximum of 100% over the course of three years. If actual corporate performance falls between LTIP Threshold (inclusive) and the LTIP target in any particular year, an amount less than one third of the Option grant or RSU award will vest in that year (the amount vested being determined by the vesting schedule). If actual performance falls within this latter performance range during each of the three years of the vesting period, an amount less than 100% of the Option grant or RSU award will have vested at the expiry of the vesting period and the remaining unvested Options and RSUs will be forfeited (subject to the Three Year Adjusted EBITDA Target). If actual performance exceeds the LTIP Target for a particular year, one third of the Option grant or RSU award will vest in that year. The Board may, at its discretion at the time of grant or after, accelerate the vesting schedule to beyond one third of the Option grant or RSU award in each year actual performance exceeds the LTIP target. In such a case, it is possible that an award of Options or RSUs may fully vest prior to the expiry of the vesting period. Where actual performance falls below the LTIP Threshold in a particular year, no performance-based Options or RSUs will vest in that year and any unvested Options and RSUs remaining at the end of the vesting period will be forfeited.

During the financial year ended December 31, 2023, 50% of RSUs granted to NEOs were subject to performance and time-based vesting conditions and 50% of RSUs granted to NEOs were subject to time-based vesting conditions only. During the financial years ended December 31, 2022 and 2021, RSUs granted to NEOs were subject to performance and time-based vesting conditions. All Options granted during the financial years ended December 31, 2023, 2022 and 2021 were subject to time-based vesting conditions only.

Long-term incentives awarded for the financial year ended December 31, 2023 were determined and awarded as follows:

Name and Position	Options Awarded	Value of Options Awarded ⁽¹⁾	RSUs Awarded ⁽²⁾	Value of RSUs Awarded ⁽³⁾
Jeff MacDonald <i>Chief Executive Officer</i>	130,877	\$167,758	55,359	\$167,758
Robert Haire <i>Chief Financial Officer and Corporate Secretary</i>	65,763	\$84,295	27,817	\$84,295
Edward Van Egdom <i>Senior Vice-President, Operations</i>	47,116	\$60,393	19,929	\$60,393
Ralph DeJong <i>Vice-President of Research and Development and Customer Solutions</i>	26,031	\$33,366	11,011	\$33,366

Notes:

- (1) These amounts reflect the grant date fair value of Options granted to the NEO. The grant date fair value of Options is calculated in the following manner: Number of Options granted multiplied by the Black-Scholes value. We chose to use the Black-Scholes model as the basis for calculating fair value of the Options granted as this methodology is commonly accepted by issuers. This is consistent with the accounting values used in our financial statements. The key assumptions used under the Black-Scholes model that were used for the Option awards in the table above were as follows: (i) Risk-free interest rate: 3.24% (ii) Expected option life: 5 years, (iii) Expected volatility: 43.3%, and (iv) Dividend yield: NIL%. The dollar amount in this column represents the total value ascribed to the Options converted at the Annual Exchange Rate.
- (2) RSUs awarded during the financial year ended December 31, 2023 vest 33.33% per year over a three year period, subject to the NEOs continued employment with the Company, with 50% of such RSUs also being subject to the achievement of performance-based vesting conditions. The performance conditions for the RSUs awarded during the financial year ended December 31, 2023 can be satisfied by either (i) achieving the annual revenue target or the annual Adjusted EBITDA target for 2023, 2024 and 2025, with 33.33% annual vesting of the RSU in each year such performance conditions is met, or (ii) the

Company achieving its Three Year Adjusted EBITDA Target in 2023, 2024 or 2025, with 100% vesting of the RSU if such performance condition is met.³

- (3) RSUs are valued based on the grant date fair value of the RSUs when granted. The grant date fair value of RSUs is calculated based on the number of RSUs granted multiplied by the average closing price of a Common Share on the TSX for the five trading days immediately prior to the grant of RSUs, converted using the Annual Exchange Rate. This is consistent with the accounting values used in our financial statements.

RSUs

An RSU represents the grant of a phantom or notional Common Share which is not issued to the holder until certain vesting criteria have been met.

On March 5, 2013, the Board approved the adoption of the RSU Plan. The Board decided that it is desirable to have a wide range of incentive plans, including the RSU Plan, in place to attract, retain and motivate employees, officers and consultants of the Company. The plan was approved by shareholders at the Company's Annual and Special Meeting which occurred on May 8, 2013. On May 17, 2021, shareholders of the Company approved an amendment to the RSU Plan which increased the number of Common Shares available for issuance under such plan from 1,000,000 to 2,000,000. The TSX also approved this amendment to the RSU Plan in 2021. A copy of the RSU Plan is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

RSUs awarded will vest equally over a three year period subject to the achievement of performance targets and/or time-based vesting conditions, as detailed above.

The number of RSUs awarded will be credited to the participant's account effective on the grant date of the RSUs. Upon vesting, each RSU entitles the holder, subject to the terms of the RSU Plan, to receive a payment in fully-paid Common Shares issued from treasury, subject to normal payroll withholding requirements.

The Board or the Compensation Committee may, subject to receipt of requisite regulatory (including the TSX or any other regulatory authority having jurisdiction over the Company) and shareholder approval, make the following amendments to the RSU Plan: (i) increase the number of RSUs or maximum percentage of RSUs which may be issued pursuant to the RSU Plan; (ii) change in the eligibility of participants under the RSU Plan which would have the potential of narrowing, broadening or increasing insider participation; (iii) reduce the range of amendments requiring shareholder approval contemplated under the RSU Plan; (iv) make amendments that may lead to significant or unreasonable dilution to the Company's outstanding securities, or that may provide additional benefits to RSU Plan participants at the expense of the Company or its shareholders; (v) change insider participation limits which would result in shareholder approval being required on a disinterested basis; or (vi) make amendments to the RSU Plan that would permit RSUs, or any other right of interest of a RSU Plan participant, to be assigned or transferred other than for normal estate settlement purposes. The Board or the Compensation Committee may, subject to receipt of requisite regulatory approval (including the TSX or any other regulatory authority having jurisdiction over the Company), where required, in its sole discretion make all other amendments to the RSU Plan that are not the type contemplated above.

The Compensation Committee will have the discretion to credit a participant with additional RSUs equal to the aggregate amount of any dividends that would have been paid to the participant if the RSUs had been Common Shares, divided by the market value of the Common Shares on the date on which dividends were paid by the Company.

³ Adjusted EBITDA is not a measure recognized under IFRS and does not have a standardized meaning prescribed by IFRS. A quantitative reconciliation of Adjusted EBITDA to net loss is available in the section titled "Adjusted EBITDA" on page 9 of the Company's Management's Discussion and Analysis for the financial years ended December 31, 2023 and 2022, which is available for access and download on SEDAR+ at www.sedarplus.ca. The section titled "Adjusted EBITDA" on page 9 of the Company's Management's Discussion and Analysis for the financial years ended December 31, 2023 and 2022 is incorporated by reference herein.

Upon a grantee's retirement or termination of employment without cause, a *pro rata* number of the unvested RSUs credited to the grantee, based on the portion of the applicable vesting period that has been completed as of the date of retirement or termination of service, will vest on such date and the Common Shares underlying such RSUs will be paid to the grantee. Upon the termination of a grantee's service to the Company for any reason other than death, disability, retirement or termination without cause, except as provided for in the grantee's RSU grant letter or as determined by the Compensation Committee, all outstanding RSUs held by that grantee will be forfeited. RSUs granted under the RSU Plan are not assignable except pursuant to a will or by the laws of descent and distribution.

An aggregate of 2,000,000 Common Shares are reserved for issuance under the RSU Plan, representing approximately 3.41% of the issued and outstanding Common Shares as at the financial year ended December 31, 2023. The maximum number of Common Shares issuable to insiders, at any time, pursuant to the RSU Plan together with any other security based compensation arrangements is 10% of the total number of Common Shares then outstanding. The maximum number of Common Shares issuable to insiders, within any one-year period, pursuant to the RSU Plan and any other security based compensation arrangement is 10% of the total number of Common Shares then outstanding.

As of December 31, 2023, RSUs to acquire an aggregate of 219,086 Common Shares, representing approximately 0.37% of the issued and outstanding Common Shares, were outstanding under the RSU Plan. During the financial year ended December 31, 2023, 126,116 RSUs were granted under the RSU Plan, 82,654 Common Shares were issued on vesting of RSUs granted under the RSU Plan and 119,942 unvested RSUs expired and were forfeited under the RSU Plan. As of December 31, 2023, 889,895 RSUs were available for issuance under the RSU Plan.

RSU Awards

The table below shows (i) the maximum number of RSUs issuable under the RSU Plan, (ii) the number of RSUs granted and outstanding under the RSU Plan, and (iii) the number of RSUs available for grant under the RSU Plan, all as of December 31, 2023, and the percentage that such figures represent of the aggregate issued and outstanding Common Shares as of December 31, 2023, together with (x) the number of RSUs granted, (y) the number of RSUs vested and converted into Common Shares as a result of the vesting conditions having been satisfied, and (z) the number of unvested RSUs that expired and were forfeited, under the RSU Plan during the financial year ended December 31, 2023:

	RSU Plan
Maximum share reserve	2,000,000 (3.41%) ⁽¹⁾
Total RSUs granted and outstanding	219,086 (0.37%) ⁽¹⁾
Total RSUs available for grant	889,895 (1.52%) ⁽¹⁾
RSUs granted during the financial year ended December 31, 2023	126,116
RSU's vested and converted into Common Shares during the financial year ended December 31, 2023	82,654
Unvested RSUs that expired and were forfeited during the financial year ended December 31, 2023 ⁽²⁾	119,942

Notes:

(1) Quoted as a percentage of total outstanding Common Shares as of December 31, 2023.

(2) Unvested RSUs that expire and are forfeited become available to be regranted in the future.

As of the record date of the Meeting, subsequent to the financial year ended December 31, 2023, 4,200 RSUs have vested and been converted into Common Shares as a result of the vesting condition having been satisfied, while 21,019 RSUs have vested as a result of the vesting condition having been satisfied but have not yet been converted into Common Shares.

The table below shows the RSU burn rate in accordance with the requirements of the TSX⁽¹⁾:

	2023 Burn Rate	2022 Burn Rate	2021 Burn Rate
RSU Plan	0.21%	0.15%	0.36%

Notes:

- (1) Annual burn rate is expressed as a percentage and is calculated by dividing the number of securities granted under the specific plan during the applicable financial year by the weighted average number of securities outstanding for the applicable financial year. The weighted average number of Common Shares outstanding is the number of Common Shares outstanding at the beginning of the period, adjusted by the number of Common Shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the Common Shares are outstanding as a proportion of the total number of days in the period.

Stock Options

The 2011 Plan was amended and approved by shareholders in 2021 to increase the maximum number of Common Shares issuable under the 2011 Plan from 10% to 13.5% of the issued and outstanding Common Shares at the time of grant, less the number of Common Shares to be issued upon the exercise of awards outstanding under the Company's other security based compensation arrangements. The TSX also approved this amendment to the 2011 Plan in 2021. The Board approved certain housekeeping amendments to the 2011 Plan on March 28, 2023 to remove certain provisions from the 2011 Plan that are no longer applicable. The amendments do not require approval by the Company's shareholders, but such amendments were accepted by the TSX on March 23, 2023.

All unallocated Options were last approved by shareholders and the TSX in connection with the 2023 Annual and Special Meeting. The Company will be required to obtain shareholder approval all unallocated Options again in 2026.

Pursuant to the 2011 Plan, an Option represents the right, but not the obligation, to purchase Common Shares of the Company for a given period of time, subject to the optionee's continued service to the Company. Options can have a ten-year or seven-year term and generally vest in one of two ways: (i) according to a four-year vesting schedule, with 25% of the Options vesting on each anniversary of the grant date, or (ii) on a three-year schedule, subject to certain performance and time-based vesting conditions being met.

The 2011 Plan is administered by the Compensation Committee, which makes recommendations to the Board and allows for the grant of incentive Options to the Company's employees, directors, senior officers and consultants.

Under the 2011 Plan, the maximum number of Common Shares issuable pursuant to the 2011 Plan at any time shall not exceed 13.5% of the total issued and outstanding Common Shares at the time of the grant, less the number of Common Shares to be issued upon the exercise of awards outstanding under the Company's other security based compensation arrangements. As a result, any increase in the Company's issued and outstanding Common Shares will result in an increase in the available number of the Common Shares issuable under the 2011 Plan. Conversely, to the extent that any additional RSUs or DSUs are granted pursuant to the RSU Plan and DSU Plan, respectively, this will result in a decrease in the available number of Common Shares issuable under the 2011 Plan from time to time. The aggregate number of Common Shares issuable under the 2011 Plan and any other share compensation arrangement to insiders shall not exceed 10% of the Common Shares outstanding from time to time. The aggregate number of Common Shares issued upon exercise of the Options granted under the 2011 Plan and any other share compensation arrangement at any time to insiders within a one-year period shall not exceed 10% of the Common Shares then outstanding. In addition, Option grants to all non-management directors shall not exceed 1% of the outstanding Common Shares at that time; provided further that the maximum value of Options which may be granted to each non-management director shall not exceed \$100,000 in any financial year.

The Board may, subject to receipt of requisite regulatory (including the TSX or any other regulatory authority having jurisdiction over the Company) and shareholder approval, make the following amendments to the

2011 Plan or any Option granted thereunder: (i) increase the number of securities issuable under the 2011 Plan; (ii) amend the exercise price of any Option issued under the 2011 Plan where such amendment reduces the exercise price of such Option (for this purpose, a cancellation or termination of an Option of a 2011 Plan participant prior to its expiry for the purpose of re-issuing Options to the same participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Option); (iii) extend the original expiry date of any outstanding Options; (iv) change in the eligibility of participants under the 2011 Plan which would have the potential of narrowing, broadening or increasing insider participation; (v) change insider participation or non-management director limits under the 2011 Plan; (vi) amend the 2011 Plan to permit Options to be assigned or transferred other than for normal estate settlement purposes; (vii) amend the sections of the 2011 Plan that relate to the amending provisions of the 2011 Plan; and (viii) make amendments that may lead to significant or unreasonable dilution to the Company's outstanding securities, or that may provide additional benefits to 2011 Plan participants at the expense of the Company or its shareholders. Subject to compliance with the applicable rules of the TSX, and subject to the above, the Board may from time to time amend, suspend or terminate the 2011 Plan, or the terms of any previously granted Option, without obtaining the approval of shareholders of the Company, provided that no such amendment to the terms of any previously granted Option may, except as expressly provided in the 2011 Plan, or with the written consent of the Option holder, adversely alter or impair the terms or conditions of such Option previously granted to such Option holder under this 2011 Plan.

Options granted under the 2011 Plan are non-assignable and will have an exercise price determined and approved by the Board at the time the Option is granted, but in any event shall not be less than the market value the Common Shares, being the weighted average trading price of a Common Share on the TSX for the five business days immediately prior to the date of grant. Upon a grantee's termination without cause or voluntary resignation all unvested Options will be forfeited and all vested Options will become exercisable for a period of 90 days following such event.

As of December 31, 2023, Options to acquire an aggregate of 2,194,235 Common Shares, representing approximately 3.74% of the issued and outstanding Common Shares, were outstanding under the 2011 Plan. During the financial year ended December 31, 2023, 299,787 Options were granted under the 2011 Plan, 282,423 Common Shares were issued on exercise of Options granted under the 2011 Plan and nil unexercised Options expired and were forfeited under the 2011 Plan. As of December 31, 2023, 4,663,669 Options were available for issuance under the 2011 Plan.

Stock Option Awards

The table below shows (i) the maximum number of Options issuable under the 2011 Plan, (ii) the number of Options granted and outstanding under the 2011 Plan, and (iii) the number of Option available for grant under the 2011 Plan, all as of December 31, 2023, and the percentage that such figures represent of the aggregate issued and outstanding Common Shares as of December 31, 2023, together with (x) the number of Options granted, (y) the number of Options exercised, and (z) the number of unexercised Options that expired and were forfeited, under the 2011 Plan during the financial year ended December 31, 2023:

	2011 Plan
Maximum share reserve	6,857,904 ⁽²⁾ (11.69%) ⁽¹⁾
Total Options granted and outstanding	2,194,235 (3.74%) ⁽¹⁾
Total Options available for grant	4,663,669 (7.95%) ⁽¹⁾
Options granted during the financial year ended December 31, 2023	299,787
Options exercised during the financial year ended December 31, 2023	282,423
Unexercised Options expired and forfeited during the financial year ended December 31, 2023 ⁽³⁾	NIL

Notes:

(1) Represents a percent of total issued and outstanding Common Shares as of December 31, 2023.

- (2) The aggregate number of Common Shares issuable in connection with the 2011 Plan is equal to 13.5% of the issued and outstanding Common Shares at the time of grant, less the number of Common Shares to be issued upon the exercise of awards outstanding under the Company's other security based compensation arrangements (being the RSU Plan and the DSU Plan). On this basis, taking into account the 219,086 Common Shares to be issued by the Company upon the vesting of outstanding RSUs in connection with the RSU Plan as of December 31, 2023 and the 842,357 Common Shares to be issued by the Company upon the conversion of outstanding vested DSUs in connection with the DSU Plan as of December 31, 2023, an aggregate of 6,857,904 Common Shares are available to be issued under the 2011 Plan as of December 31, 2023.
- (3) Unexercised Options that expire and are forfeited become available to be regranted in the future.

The table below shows the Option burn rate in accordance with the requirements of the TSX⁽¹⁾:

	2023 Burn Rate	2022 Burn Rate	2021 Burn Rate
2011 Plan	0.51%	0.36%	0.46%

Notes:

- (1) Annual burn rate is expressed as a percentage and is calculated by dividing the number of securities granted under the specific plan during the applicable financial year by the weighted average number of securities outstanding for the applicable financial year. The weighted average number of Common Shares outstanding is the number of Common Shares outstanding at the beginning of the period, adjusted by the number of Common Shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the Common Shares are outstanding as a proportion of the total number of days in the period.

Cost of Equity Compensation Plans

While the maximum number of Common Shares issuable pursuant to the 2011 Plan to the Company's employees, directors, senior officers and consultants at any time is equal to 13.5% of the total issued and outstanding Common Shares at the time of the grant, less the number of Common Shares to be issued upon the exercise of awards outstanding under the Company's other security based compensation arrangements, being the DSU Plan and the RSU Plan, the Company believes that the ultimate dilution and cost to the Company of the equity compensation plans comprising the long-term incentives is reasonable in light of the allocation and use of the awards. Namely, the Company has not issued any Options to non-executive directors under the 2011 Plan since August 2013. Rather, the Company elects to issue DSUs to non-executive directors pursuant to the terms of the DSU Plan, and such DSUs must be retained until the director leaves the Board, at which time the DSUs will be paid out in Common Shares. See "*Elements of Director Compensation – Standard Compensation Arrangements – DSU Plan*". Therefore, assuming the maximum number of DSUs available for issuance pursuant to the DSU Plan as of December 31, 2023, being 1,588,283 DSUs (representing 2.71% of the issued and outstanding Common Shares as of December 31, 2023), were granted and outstanding as of December 31, 2023, the remaining maximum number of Common Shares that would be available for issuance among only the 2011 Plan and the RSU Plan as of December 31, 2023, would be equal to 6,331,064 Common Shares, representing 10.79% of the issued and outstanding Common Shares as of December 31, 2023. As such, once DSUs are factored into the 13.5% collective plan maximum, the aggregate dilution is reduced.

OTHER COMPENSATION AND PERQUISITES

Our employee benefit program includes life, medical, dental and disability insurance. Such benefits and other perquisites are designed to be competitive overall with equivalent positions in comparable Canadian and United States organizations.

RETIREMENT BENEFITS

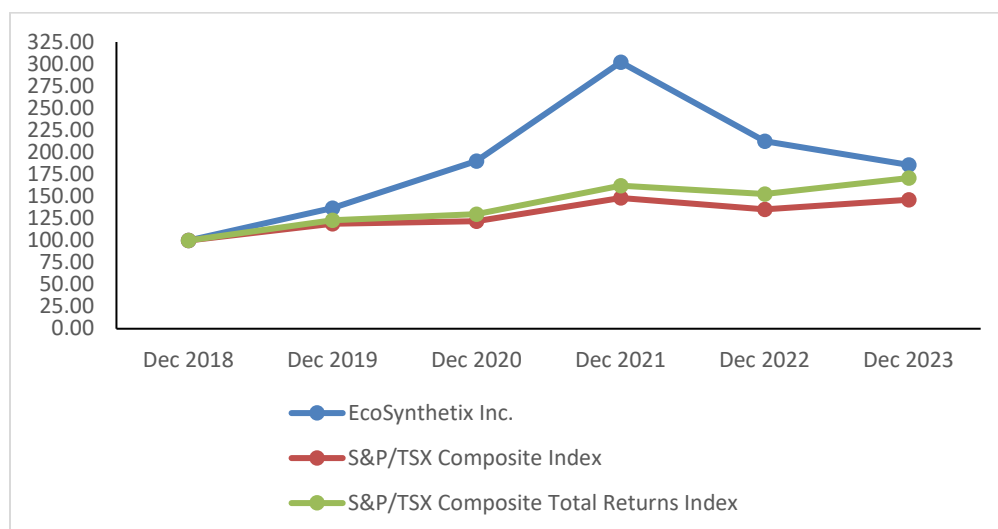
The NEOs do not participate in any defined benefit pension plan, defined contribution plan or deferred compensation plan.

PERFORMANCE GRAPH

The following graph compares total shareholder return since December 31, 2018 against that of the overall market during the same period. It shows the change in value of C\$100 invested in the Common Shares on

December 31, 2018 compared to C\$100 invested in the S&P/TSX Composite Index or the S&P/TSX Composite Total Returns Index for the same period.

Cumulative Return of \$100 Invested



Value of C\$100 Invested

	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023
S&P/TSX Composite Index	C\$100	C\$119.13	C\$121.72	C\$148.17	C\$135.34	C\$146.32
S&P/TSX Composite Total Returns Index	C\$100	C\$122.88	C\$129.76	C\$162.32	C\$152.87	C\$170.79
EcoSynthetix Inc.	C\$100	C\$136.60	C\$190.21	C\$302.06	C\$212.37	C\$185.57

Source: TMX Money and S&P Dow Jones Indices

In the last five years, we have experienced an increase in share price relative to the performance of the S&P/TSX Composite Index and the S&P/TSX Composite Total Returns Index (though in 2023, our share price has decreased as compared to 2022). Over the same period of time, compensation to executive officers has not directly followed a similar trend as the share price, though in 2023, similar to the decrease in share price, NEOs experienced a decrease in compensation as compared to 2022 due to the decrease in the Company's corporate performance in 2023, resulting in a decrease in the short-term incentive awards paid to NEOs during such year, as detailed under "*Elements of Executive Compensation – Short-Term Incentives*". During the past five years, we have increased reliance on our long-term incentive program in order to align compensation with our performance. Similarly, we have developed a compensation program that includes fixed and variable elements, including annual performance-based cash incentives which are based on both company and individual achievements, and long-term incentives that allow executive officers to work towards achieving long-term growth objectives. As a result, realized value from long-term incentive awards held by the NEOs will be directly affected by our share performance over the period and, as a result, NEO compensation is expected to be subject to similar trends experienced by our shareholders.

SUMMARY COMPENSATION TABLE

The following table provides information for each of the financial years ending December 31, 2023, 2022 and 2021 regarding compensation awarded to the NEOs, subject to any performance and/or time-based

vesting conditions, as applicable (see “*Elements of Executive Compensation – Short-Term Incentives*” and “*Elements of Executive Compensation – Long-Term Incentives*”).

Name and principal position	Year	Salary (\$) ⁽¹⁾	Share-based awards (\$) ⁽²⁾	Option-based awards (\$) ⁽³⁾	Non-equity incentive plan compensation (\$)		All other compensation (\$) ⁽⁴⁾	Total compensation (\$)
					Short-term incentive plans	Long-term incentive plans		
Jeff MacDonald Chief Executive Officer and Director	2023	335,516	167,758	167,758	47,790	NIL	57,113	775,935
	2022	334,332	167,166	167,166	51,111	NIL	57,797	777,572
	2021	336,897	380,494	168,499	176,871	NIL	59,059	1,121,770
Robert Haire Chief Financial Officer and Corporate Secretary	2023	280,985	84,295	84,295	32,008	NIL	51,660	533,243
	2022	279,994	83,998	83,998	34,202	NIL	52,363	534,555
	2021	282,151	191,196	84,646	118,503	NIL	53,584	730,081
Edward Van Egdom Senior Vice-President, Operations	2023	241,571	60,393	60,393	27,525	NIL	47,718	437,600
	2022	240,719	60,182	60,180	29,398	NIL	48,436	438,915
	2021	242,566	136,997	60,642	101,878	NIL	49,626	591,688
Ralph DeJong Vice-President of Research and Development and Customer Solutions	2023	166,832	33,366	33,366	16,634	NIL	33,576	283,774
	2022	166,244	33,251	33,249	17,293	NIL	34,071	284,108
	2021	167,531	74,748	33,507	61,568	NIL	34,942	372,296
Total NEO Compensation:	2023	1,024,904	345,812	345,812	123,957	NIL	190,067	2,030,552

Notes:

- (1) Salary and benefits values listed represent amounts that were paid in Canadian dollars and converted to United States dollars for reporting purposes in the Summary Compensation Table at the Annual Exchange Rate, 2022 Annual Exchange Rate or 2021 Annual Exchange Rate, as applicable.
- (2) RSUs vest equally over three years subject to certain performance conditions and time-based vesting conditions (see “*Elements of Executive Compensation – Long-Term Incentives – RSUs*”). The figures presented represent the grant date fair value of RSUs awarded and are calculated in the following manner: Number of RSUs granted multiplied by the average closing price of a Common Share on the TSX for the five trading days immediately prior to the grant of RSUs, converted at the Annual Exchange Rate, 2022 Annual Exchange Rate, or 2021 Annual Exchange Rate, as applicable. This is consistent with the accounting values used in our financial statements.
- (3) Certain stock option awards may be subject to performance and time-based vesting conditions (see “*Elements of Executive Compensation – Long-Term Incentives – Stock Options – Performance Vesting Conditions*”). Where performance and time-based vesting conditions are present, failure to attain the performance conditions necessary for vesting within the applicable timeframe may result in the forfeiture of Option awards. All Options granted to NEOs during the financial years ended December 31, 2023, 2022 and 2021 were subject to time-based vesting conditions only. The figures presented reflect the grant date fair value of Options granted to NEOs. The grant date fair value of Options is calculated in the following manner: Number of Options granted multiplied by the Black-Scholes value. We chose to use the Black-Scholes model as the basis for calculating fair value of the Options granted as this methodology is commonly accepted by issuers. This approach is also consistent with the accounting values used in our financial statements. The key assumptions used under the Black-Scholes model that were used for the share option awards in the table above were as follows: (A) in respect of 2023 values, (i) Risk-free interest rate: 3.24%, (ii) Expected option life: 5 years, (iii) Expected volatility: 43.3%, and (iv) Dividend yield: NIL%; (B) in respect of 2022 values, (i) Risk-free interest rate: 1.39% (ii) Expected option life: 5 years, (iii) Expected volatility: 47.9%, and (iv) Dividend yield: NIL%; and (C) in respect of 2021 values, (i) Risk-free interest rate: 0.87%, (ii) Expected option life: 5 years, (iii) Expected volatility: 46.0%, and (iv) Dividend yield: NIL%. The dollar amount in this column represents the total value ascribed to the Options. Grant date fair values of Options have been converted using the Annual Exchange Rate, 2022 Annual Exchange Rate, and 2021 Annual Exchange Rate, as applicable.
- (4) The terms of the indicated NEOs’ employment agreements provide for benefit entitlements which generally comprise a retirement contribution equal to 10% of their base salary to be made into an RRSP, tax-free savings account or equivalent plan; a car allowance; and standard company medical and insurance benefits.

INCENTIVE PLAN AWARDS

The following table provides information regarding the long-term incentive plan awards for each Named Executive Officer outstanding as of December 31, 2023.

Outstanding Share-Based Awards and Option-Based Awards

Name and Position	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (C\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽²⁾	Number of shares or units of shares that have not vested (#) ⁽³⁾	Market or payout value of share-based awards that have not vested (\$) ⁽⁴⁾	Market or payout value of vested share-based awards not paid out or distributed (\$)
Jeff MacDonald ⁽¹⁾ Chief Executive Officer	54,545	C\$1.52	January 7, 2025	\$84,060	92,602	\$246,999	-
	141,509	C\$2.18	January 4, 2025	\$148,883			
	227,273	C\$1.82	January 1, 2026	\$299,737			
	153,731	C\$2.77	December 20, 2026	\$94,539			
	113,522	C\$4.59	May 7, 2028	\$NIL			
	87,000	C\$5.84	January 5, 2029	\$NIL			
130,877	C\$4.09	January 6, 2030	\$NIL				
Robert Haire Chief Financial Officer and Corporate Secretary	54,545	C\$1.52	January 7, 2025	\$84,060	46,531	\$124,113	-
	74,764	C\$2.18	January 4, 2025	\$78,660			
	114,205	C\$1.82	January 1, 2026	\$150,618			
	77,250	C\$2.77	December 20, 2026	\$47,506			
	57,045	C\$4.59	May 7, 2028	\$NIL			
	43,716	C\$5.84	January 5, 2029	\$NIL			
65,763	C\$4.09	January 6, 2030	\$NIL				
Edward Van Egdome Senior Vice-President, Operations	48,182	C\$1.52	January 7, 2025	\$74,254	33,337	\$88,920	-
	64,387	C\$2.18	January 4, 2025	\$67,742			
	81,818	C\$1.82	January 1, 2026	\$107,905			
	55,343	C\$2.77	December 20, 2026	\$34,034			
	40,868	C\$4.59	May 7, 2028	\$NIL			
	31,320	C\$5.84	January 5, 2029	\$NIL			
47,116	C\$4.09	January 6, 2030	\$NIL				
Ralph DeJong Vice-President of Research and Development and Customer Solutions	15,091	C\$1.52	January 7, 2025	\$23,257	18,419	\$49,129	-
	15,974	C\$2.18	January 4, 2025	\$16,806			
	42,045	C\$1.82	January 1, 2026	\$55,451			
	29,851	C\$2.77	December 20, 2026	\$18,357			
	22,581	C\$4.59	May 7, 2028	\$NIL			
	17,304	C\$5.84	January 5, 2029	\$NIL			
26,031	C\$4.09	January 6, 2030	\$NIL				

Notes:

- (1) Mr. MacDonald was appointed Chief Executive Officer effective May 1, 2015 and was elected to the Board, effective May 11, 2015. Mr. MacDonald did not receive any compensation in connection with his services as a director of the Company.
- (2) Calculated using the closing price of the Common Shares on the TSX on December 31, 2023 of C\$3.60 (\$2.67 at the Annual Exchange Rate) subtracting the exercise price of in-the-money Options. These Options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Common Shares on the date of exercise.
- (3) The figures in this column represent the number of RSUs issued in the years ended December 31, 2023, December 31, 2022 and December 31, 2021 that had not yet vested as of December 31, 2023. RSUs issued during the financial years ended December 31, 2021, December 31, 2022 and December 31, 2023 vest over a three year period subject to meeting performance targets and/or time-based vesting conditions. For further information, please see the section above titled "RSUs" under the heading "Elements of Executive Compensation - Long-Term Incentives", above.
- (4) The value of the RSUs listed is calculated using the closing price of the Common Shares on the TSX on December 31, 2023 of C\$3.60 (\$2.67 at the Annual Exchange Rate).

During the financial year ended December 31, 2023, an aggregate of 182,623 Options previously issued to NEOs under the 2011 Plan vested, and an aggregate of 82,654 RSUs previously issued to NEOs under the RSU Plan vested.

Incentive Plan Awards – Value Vested or Earned During the Year

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year ⁽²⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Jeff MacDonald <i>Chief Executive Officer</i>	\$NIL	\$100,031	\$47,790
Robert Haire <i>Chief Financial Officer and Corporate Secretary</i>	\$NIL	\$50,265	\$32,008
Edward Van Egdom <i>Senior Vice-President, Operations</i>	\$NIL	\$36,012	\$27,525
Ralph DeJong <i>Vice-President of Research and Development and Customer Solutions</i>	\$NIL	\$19,650	\$16,634

Notes:

- (1) "Value vested during the year" means the aggregate dollar value that would have been realized if the Options under the option-based award had been exercised on the vesting date. This amount is calculated using the closing market prices of the Common Shares on the TSX on the dates on which the Options vested during the year, and subtracting the exercise price of in-the-money Options.
- (2) The market value of RSUs has been calculated based on the closing price of the Common Shares on the TSX on November 14, 2023 of C\$3.42(\$2.49 using the daily exchange rate on November 14, 2023 of U.S. \$1.00 = C\$1.3725), such date being the last trading day on the TSX prior to the vesting of the RSUs that vested during the financial year ended December 31, 2023.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides details of compensation plans under which equity securities of the Company are authorized for issuance as of December 31, 2023. Such compensation plans include the 2011 Plan, the RSU Plan and the DSU Plan.

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise or conversion of outstanding equity compensation plans ⁽¹⁾	Weighted-average price of outstanding equity compensation plans ⁽²⁾	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	3,255,678	C\$3.04 (\$2.25) ⁽³⁾	4,663,669 ⁽⁴⁾
Equity compensation plans not approved by securityholders	NIL	N/A	N/A
Total	3,255,678	N/A	4,663,669

Notes:

- (1) Represents the number of Common Shares reserved for issuance upon (a) exercise of outstanding Options issued pursuant to the 2011 Plan, (b) conversion of outstanding RSUs issued pursuant to the RSU Plan, and (c) conversion of outstanding DSUs issued pursuant to the DSU Plan, all as of December 31, 2023.
- (2) Represents Options, RSUs and DSUs. Converted to United States dollars at the Average Annual Exchange Rate.
- (3) Weighted average price is based on the weighted average exercise price for Options. No weighted average price has been calculated for RSUs and DSUs.
- (4) Comprises Options issuable under the 2011 Plan, RSUs issuable under the RSU Plan and DSUs issuable under the DSU plan.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Certain of the NEOs entered into employment agreements in connection with their respective appointments as executive officers which provides for severance payments as set out below.

For the purposes of the employment agreements, a change of control means the occurrence of (i) any transaction or series of related transactions, whether or not the Company is a party thereto, after giving effect to which in excess of 50% of the voting power is owned directly or indirectly through one or more entities, by any person and its affiliates, or (ii) a sale, lease or other disposition of all or substantially all of the assets of the Company other than in connection with an internal reorganization.

Mr. MacDonald entered into an amended and restated employment agreement with the Company as of January 1, 2019 (the “**MacDonald Employment Agreement**”). Pursuant to such agreement, the Company is entitled to terminate Mr. MacDonald without cause by providing the greater of (a) a lump sum payment of salary, target bonuses, perquisites and allowances for 12 months plus one month per year of service to a maximum of 24 months, in addition to the continuation of all benefits for such period or a lump sum payment in lieu of benefits at the Company’s sole discretion, a lump sum payment for any annual short-term incentive plan awards earned but unpaid in the calendar year ending on or before the date of termination along with a prorated incentive award for the incomplete annual incentive period (calculated based on the average of the two previous years short-term awards received) and the Company will provide up to \$10,000 to assist Mr. MacDonald with outplacement services; or (b) the minimum amount of notice or, at the Company’s option, pay in lieu of notice (with the continuation of benefits) as required by the provisions of the *Employment Standards Act* (Ontario). In addition, in the event the employment is terminated without cause, vesting of any unvested Options or long-term incentive awards will accelerate and become vested and immediately exercisable for a period of up to 90 days following the date of termination of Mr. MacDonald’s employment, unless such exercise date is extended at the discretion of the Board.

In the event of a change of control, should Mr. MacDonald’s employment be terminated without just cause or terminated by Mr. MacDonald because of a material diminishment in job responsibilities or position level within one year of the date on which the change of control becomes effective, conditional on Mr. MacDonald providing six weeks advance notice to the Company, Mr. MacDonald shall be entitled to the greater of: (i)

the applicable termination entitlement described in (a) above; or (ii) a lump sum payment of 24 months' base salary, target bonuses, perquisites and allowances, the continuation of benefits for such 24 month period (or payment in lieu thereof), a lump sum payment for any annual short-term incentive plan awards earned but unpaid in the calendar year ending on or before the date of termination along with a prorated incentive award for the incomplete annual incentive period (calculated based on the average of the previous two years short-term awards received) and the Company will provide up to \$10,000 to assist Mr. MacDonald with outplacement services. In addition, in the event of a change of control, vesting of any unvested Options or long-term incentive awards will accelerate and become vested and immediately exercisable for a period of up to 90 days following the date of termination of Mr. MacDonald's employment, unless such exercise date is extended at the discretion of the Board. The MacDonald Employment Agreement has a non-competition and non-solicitation clause for a period of 12 months following termination.

Mr. Haire entered into an amended and restated employment agreement with the Company on January 1, 2019 (the "**Haire Employment Agreement**"). Pursuant to such agreement, the Company is entitled to terminate Mr. Haire without cause by providing the greater of (a) a lump sum payment of salary, target bonuses, perquisites and allowances for 12 months plus one month per year of service to a maximum of 21 months, in addition to the continuation of all benefits for such period (or a lump sum payment in lieu thereof, at the Company's election), a lump sum payment for any annual short-term incentive plan awards earned but unpaid in the calendar year ending on or before the date of termination along with a prorated incentive award for the incomplete annual incentive period (calculated based on the average of the two previous years short-term awards received) and the Company will provide up to \$10,000 to assist Mr. Haire with outplacement services; or (b) the minimum amount of notice or, at the Company's option, pay in lieu of notice (with the continuation of benefits) as required by the provisions of the *Employment Standards Act* (Ontario). In addition, in the event the employment is terminated without cause, vesting of any unvested Options or long-term incentive awards will accelerate and become vested and immediately exercisable for a period of up to 90 days following the date of termination of Mr. Haire's employment, unless such exercise date is extended at the discretion of the Board.

In the event of a change of control, should Mr. Haire's employment be terminated without just cause or terminated by Mr. Haire because of a material diminishment in job responsibilities or position level within one year of the date on which the change of control becomes effective, conditional on Mr. Haire providing six weeks advance notice to the Company, Mr. Haire shall be entitled to the greater of: (i) the applicable termination entitlement described in (a) above; or (ii) a lump sum payment of 24 months' base salary, target bonuses, perquisites and allowances, the continuation of benefits for such 24 month period (or payment in lieu thereof), a lump sum payment for any annual short-term incentive plan awards earned but unpaid in the calendar year ending on or before the date of termination along with a prorated incentive award for the incomplete annual incentive period (calculated based on the average of the previous two years short-term awards received) and the Company will provide up to \$10,000 to assist Mr. Haire with outplacement services. In addition, in the event of a change of control, vesting of any unvested Options or long-term incentive awards will accelerate and become vested and immediately exercisable for a period of up to 90 days following the date of termination of Mr. Haire's employment, unless such exercise date is extended at the discretion of the Board. The Haire Employment Agreement has a non-competition and non-solicitation clause for a period of 12 months following termination.

Mr. van Egdom entered into an amended and restated employment contract with the Company on January 1, 2019 (the "**van Egdom Employment Agreement**"). Pursuant to such agreement, the Company is entitled to terminate Mr. van Egdom without cause by providing the greater of (a) a lump sum payment of salary, target bonuses, perquisites and allowances for 12 months plus one month per year of service to a maximum of 21 months, in addition to the continuation of all benefits for such period (or payment in lieu thereof, at the Company's election), a lump sum payment for any annual short-term incentive plan awards earned but unpaid in the calendar year ending on or before the date of termination along with a prorated incentive award for the incomplete annual incentive period (calculated based on the average of the two previous year short-term awards received) and the Company will provide up to \$10,000 to assist Mr. van Egdom with outplacement services; or (b) the minimum amount of notice or, at the Company's option, pay in lieu of notice (with the continuation of benefits) as required by the provisions of the *Employment Standards Act* (Ontario). In addition, in the event the employment is terminated without cause, vesting of any unvested Options or long-term incentive awards will accelerate and become vested and immediately

exercisable for a period of up to 90 days following the date of termination of Mr. van Egdom's employment, unless such exercise date is extended at the discretion of the Board.

In the event of a change of control, should Mr. van Egdom's employment be terminated without just cause or terminated by Mr. van Egdom because of a material change in job responsibilities or position level, within two years of the date on which the change of control becomes effective, conditional on Mr. van Egdom continuing to perform his duties and responsibilities for the notice period of six weeks, Mr. van Egdom shall be entitled to receive a lump sum payment of 24 months base salary, target bonuses, perquisites and allowances, the continuation of benefits for such 24 month period (or payment in lieu of such benefits), a lump sum payment for any annual short-term incentive plan awards earned but unpaid in the calendar year ending on or before the date of termination along with a prorated incentive award for the incomplete annual incentive period (calculated based on the average of the previous two years short-term awards received) and the Company will provide up to \$10,000 to assist Mr. van Egdom with outplacement services. In addition, in the event of a change of control, vesting of any unvested Options or long-term incentive awards will accelerate and become vested and immediately exercisable for a period of up to 90 days following the date of termination of Mr. van Egdom's employment, unless such exercise date is extended at the discretion of the Board. The van Egdom Employment Agreement has a non-competition and non-solicitation clause for a period of 12 months following termination.

Mr. DeJong entered into an amended and restated employment agreement with the Company on January 1, 2019 (the "**DeJong Employment Agreement**"). Pursuant to such agreement, the Company is entitled to terminate Mr. DeJong without cause by providing the greater of (a) a lump sum payment of salary, target bonuses, perquisites and allowances for 12 months plus one month per year of service to a maximum of 18 months, in addition to the continuation of all benefits for such notice period (or a lump sum payment in lieu thereof, at the Company's election), a lump sum payment for any annual short-term incentive plan awards earned but unpaid in the calendar year ending on or before the date of termination along with a prorated incentive award for the incomplete annual incentive period (calculated based on the average of the two previous years short-term awards received) and the Company will provide up to \$10,000 to assist Mr. DeJong with outplacement services; or (b) the minimum amount of notice or, at the Company's option, pay in lieu of notice (with the continuation of benefits) as required by the provisions of the *Employment Standards Act* (Ontario). In addition, in the event the employment is terminated without cause, vesting of any unvested Options or long-term incentive awards will accelerate and become vested and immediately exercisable for a period of up to 90 days following the date of termination of Mr. DeJong's employment, unless such exercise date is extended at the discretion of the Board.

In the event of a change of control, should Mr. DeJong's employment be terminated without just cause or terminated by Mr. DeJong because of a material diminishment in job responsibilities or position level within one year of the date on which the change of control becomes effective, conditional on Mr. DeJong providing six weeks advance notice to the Company, Mr. DeJong shall be entitled to the greater of: (i) the applicable termination entitlement described in (a) above; or (ii) a lump sum payment of 24 months' base salary, target bonuses, perquisites and allowances, the continuation of benefits for such 24 month period (or payment in lieu thereof), a lump sum payment for any annual short-term incentive plan awards earned but unpaid in the calendar year ending on or before the date of termination along with a prorated incentive award for the incomplete annual incentive period (calculated based on the average of the previous two years short-term awards received) and the Company will provide up to \$10,000 to assist Mr. DeJong with outplacement services. In addition, in the event of a change of control, vesting of any unvested Options or long-term incentive awards will accelerate and become vested and immediately exercisable for a period of up to 90 days following the date of termination of Mr. DeJong's employment, unless such exercise date is extended at the discretion of the Board. The DeJong Employment Agreement has a non-competition and non-solicitation clause for a period of 12 months following termination.

ESTIMATED INCREMENTAL PAYMENTS ON CHANGE OF CONTROL, TERMINATION WITHOUT CAUSE AND OTHER TERMINATION

Change of Control

The following table provides details regarding the estimated incremental payments from the Company to each of NEO whose employment agreement contemplates an incremental payment upon the occurrence of a Change of Control (assuming termination of employment for any of the NEOs), assuming a triggering event occurred on December 31, 2023). All dollar values reported in the table on the following page have been converted to U.S. dollars at the daily average exchange rate of \$1.00=C\$1.32, as reported by the Bank of Canada on December 31, 2023.

	Jeff MacDonald	Robert Haire	Edward Van Egdom	Ralph DeJong
Severance Entitlement	Lump sum payment comprised of 24 months of base salary, target STIP bonuses, perquisites and allowances. In addition, continuation of all benefits provided during this period or a lump sum payment in lieu of benefits at the Company's sole discretion. Accelerated vesting of any unvested stock options or LTIP awards	Lump sum payment comprised of 24 months of base salary, target STIP bonuses, perquisites and allowances. In addition, continuation of all benefits provided during this period or a lump sum payment in lieu of benefits at the Company's sole discretion. Accelerated vesting of any unvested stock options or LTIP awards	Lump sum payment comprised of 24 months of base salary, target STIP bonuses, perquisites and allowances. In addition, continuation of all benefits provided during this period or a lump sum payment in lieu of benefits at the Company's sole discretion. Accelerated vesting of any unvested stock options or LTIP awards	Lump sum payment comprised of 24 months of base salary, target STIP bonuses, perquisites and allowances. In addition, continuation of all benefits provided during this period or a lump sum payment in lieu of benefits at the Company's sole discretion. Accelerated vesting of any unvested stock options or LTIP awards
Severance Payment ⁽¹⁾	\$1,084,232	\$843,574	\$726,308	\$484,219
Benefits ⁽²⁾	\$116,564	\$105,434	\$97,390	\$68,527
Unvested equity-based compensation ⁽³⁾	\$252,054	\$126,653	\$90,740	\$50,135
TOTALS	\$1,452,850	\$1,075,661	\$914,438	\$602,881

Notes:

- (1) Severance payment includes salary and target bonuses (STIP).
- (2) Benefits includes health benefits, retirement benefits, and car allowance.
- (3) Unvested Options and RSUs at December 31, 2023. The value of unvested Options is calculated using the closing price of the Common Shares on the TSX on December 31, 2023 of C\$3.60 (\$2.72 at the daily average exchange rate of \$1.00=C\$1.32, as reported by the Bank of Canada on December 31, 2023) and subtracting the exercise price of unvested in-the-money Options. Since all of the unvested Options were out-of-the money as of December 31, 2023, a value of \$NIL has been ascribed to the value of the unvested Options as of December 31, 2023. The value of the unvested RSUs listed is calculated using the closing price of the Common Shares on the TSX on December 31, 2023 of C\$3.60 (\$2.72 at the daily average exchange rate of \$1.00=C\$1.32, as reported by the Bank of Canada on December 31, 2023).

Termination Without Cause

The following table provides details regarding the estimated incremental payments from the Company to each of the NEOs, on termination without cause, assuming a triggering event occurred on December 31, 2023. All dollar values reported in the table on the following page have been converted to U.S. dollars at

the daily average exchange rate of \$1.00=C\$1.32, as reported by the Bank of Canada on December 31, 2023.

	Jeff MacDonald	Robert Haire	Edward Van Egdom	Ralph DeJong
Severance Entitlement	Payment of base salary, target STIP bonuses, perquisites and allowances for 12 months plus 1 month per year of service to a maximum of 24 months. In addition, continuation of all benefits provided during this period or lump sum payment in lieu of benefits at the Company's sole discretion. Accelerated vesting of any unvested stock options or LTIP awards	Payment of base salary, target STIP bonuses, perquisites and allowances for 12 months plus 1 month per year of service to a maximum of 21 months. In addition, continuation of all benefits provided during this period or lump sum payment in lieu of benefits at the Company's sole discretion. Accelerated vesting of any unvested stock options or LTIP awards	Payment of base salary, target STIP bonuses, perquisites and allowances for 12 months plus 1 month per year of service to a maximum of 21 months. In addition, continuation of all benefits provided during this period or lump sum payment in lieu of benefits at the Company's sole discretion. Accelerated vesting of any unvested stock options or LTIP awards	Payment of base salary, target STIP bonuses, perquisites and allowances for 12 months plus 1 month per year of service to a maximum of 18 months. In addition, continuation of all benefits provided during this period or lump sum payment in lieu of benefits at the Company's sole discretion. Accelerated vesting of any unvested stock options or LTIP awards
Severance Payment ⁽¹⁾	\$998,636	\$743,217	\$640,028	\$369,303
Benefits ⁽²⁾	\$106,850	\$92,255	\$85,216	\$51,395
Unvested equity-based compensation ⁽³⁾	\$252,054	\$126,653	\$90,740	\$50,135
TOTALS	\$1,357,541	\$962,125	\$815,984	\$470,883

Notes:

- (1) Severance payment includes salary and target bonuses (STIP).
- (2) Benefits includes health benefits, retirement benefits, and car allowance.
- (3) Unvested Options and RSUs at December 31, 2023. The value of unvested Options is calculated using the closing price of the Common Shares on the TSX on December 31, 2023 of C\$3.60 (\$2.72 at the daily average exchange rate of \$1.00=C\$1.32, as reported by the Bank of Canada on December 31, 2023) and subtracting the exercise price of unvested in-the-money Options. Since all of the unvested Options were out-of-the money as of December 31, 2023, a value of \$NIL has been ascribed to the value of the unvested Options as of December 31, 2023. The value of the unvested RSUs listed is calculated using the closing price of the Common Shares on the TSX on December 31, 2023 of C\$3.60 (\$2.72 at the daily average exchange rate of \$1.00=C\$1.32, as reported by the Bank of Canada on December 31, 2023).

OTHER INFORMATION

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

We have in place a directors' and officers' liability insurance policy effective July 26, 2023. The policy provides coverage for costs incurred to defend and settle claims against directors and officers of the Company to an annual limit of C\$25 million (approximately \$18.52 million at the Annual Exchange Rate) with a C\$100,000 (approximately \$74,092 at the Annual Exchange Rate) deductible per indemnifiable claim. The cost of coverage for 2023 was determined and paid in Canadian dollars and was approximately C\$111,557 (approximately \$82,655 at the Annual Exchange Rate). Directors and officers do not pay any portion of the premiums and no claims were made or became payable in 2023.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

We do not make personal loans or extensions of credit to our directors or executive officers. None of our directors or executive officers, or former directors or executive officers, nor any associate of such individuals, is as at the date hereof, or has been, during the financial year ended December 31, 2023, indebted to EcoSynthetix or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee,

support agreement, letter of credit or similar arrangement or understanding with EcoSynthetix or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The Company's management is not aware of any material interest, direct or indirect, of any informed person of the Company, any proposed director or any associate or affiliate of any informed person or proposed director in any transaction since the commencement of our most recently completed financial year, or in any proposed transaction, that has materially affected or would materially affect EcoSynthetix or any of its affiliates or subsidiaries.

ADDITIONAL INFORMATION

Additional information, including financial information, which is provided in our audited comparative annual financial statements and MD&A for the financial year ended December 31, 2023, can be found on SEDAR+ at www.sedarplus.ca, or on our website at www.ecosynthetix.com. Shareholders may also contact us at info@ecosynthetix.com or Ross Marshall, Investor Relations Contact, by phone at 416-526-1563 or by e-mail at ross.marshall@loderockadvisors.com to request copies of these documents free of charge.

CONTACTING THE BOARD OF DIRECTORS

Shareholders, employees and other interested parties may communicate directly with the Board by:

1. writing to: EcoSynthetix Inc.
3365 Mainway
Burlington ON L7M 1A6
2. calling: (905) 335-5669
3. emailing: info@EcoSynthetix.com

DIRECTORS' APPROVAL

The contents of this management information circular and the sending thereof to the shareholders of the Company have been approved by the Board.

BY ORDER OF THE BOARD OF DIRECTORS

"Paul Lucas" (signed)
Chair of the Board of Directors

March 26, 2024
Burlington, Ontario

Appendix "A"

ECOSYNTHETIX INC.

MANDATE OF THE BOARD OF DIRECTORS

1. PURPOSE

The purpose of this Mandate is to detail how the board of directors (the "**Board**") of EcoSynthetix Inc. (the "**Corporation**") fulfills its statutory duty to manage the Corporation.

2. MEETINGS

- a. The Board meets a minimum of four times per year, usually every quarter.
- b. The Chair of the Board, in consultation with the Chief Executive Officer and the Corporate Secretary, as applicable, develops the agenda for each Board meeting. All directors may, and are encouraged to, provide input to the agenda.
- c. The Board has at least four scheduled meetings a year. Prior to each Board meeting, the Chair of the Board shall circulate an agenda to the Board. The Chair of the Board shall discuss the agenda items for the meeting with the Chief Executive Officer. Materials for each meeting will be distributed to directors in advance of the meetings.
- d. The Board may adopt the use of consent resolutions for its convenience from time to time.
- e. The majority of directors in office constitutes a quorum for the transaction of business at a meeting and a quorum of directors may exercise all the powers of directors at a meeting. No business shall be transacted by the directors at a meeting unless a quorum is present.
- f. A director may participate in a Board meeting by means of such telephonic, electronic or other communication facilities as to permit all persons participating in the meeting to communicate adequately with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.
- g. Directors will maintain the absolute confidentiality of Board deliberations and decisions and information received at meetings, except as may be specified by the Chair of the Board, if the information is publicly disclosed by the Corporation, or as required by applicable law. The views or opinions of individual directors or managers shall be treated with an appropriate level of respect and confidence.
- h. At Board and Committee meetings there exists an open atmosphere that encourages discussion of alternative views. From time to time, informal offsite sessions may be held to further enhance/encourage discussion of ideas, strategies and issues.
- i. Directors are expected to attend all meetings of the Board and the Committees upon which they serve, to come to such meetings fully prepared (including full review of all documentation sent prior to the meeting), and to remain in attendance for the duration of the meeting. Where a director's absence from a meeting is unavoidable, the director should, as soon as practicable after the meeting, contact the Chair of the Board and the Chief Executive Officer or the Corporate Secretary for a briefing on the substantive elements of the meeting. Subject to extenuating circumstances (such as illness, for example), directors are expected to attend a minimum of 75% of regularly scheduled Board and Committee meetings. Directors should also make reasonable efforts to attend the annual meeting of shareholders of the Corporation. Any director who has attended less than 75% of meetings of the Board or meetings of the Committees on which they sit, for more than two consecutive years, without a valid reason for the absences (ie. extenuating circumstances), will not be re-nominated for election.

The Board appreciates the value of having non-directors attend Board meetings to provide information and opinions to assist the directors in their deliberations.

- a. The Board, through the Chair, will determine non-director attendees at Board meetings. For issues that fall within the terms of reference of a committee, a committee Chair may also recommend non-director attendees to the Board Chair.
- b. No non-directors shall attend or table material at the Board without prior approval of the Chair, and in the case of Board committee meetings, the committee Chair.

3. RESPONSIBILITIES AND DUTIES

As steward of the Corporation's best interests, the Board has responsibility for the following matters (either itself, or through duly appointed and constituted committees of the Board in accordance with applicable laws):

- a. The Board has primary responsibility for the development and adoption of the strategic direction of the Corporation. The Board contributes to the development of strategic direction by approving, at least annually, a strategic plan developed and proposed by management. The plan will take into account the business opportunities and business risks of the Corporation. The Board reviews with management from time to time the strategic planning environment, the emergence of new opportunities, trends and risks and the implications of these developments for the strategic direction of the Corporation. The Board reviews and approves the Corporation's financial objectives, plans and actions, including significant capital allocations and expenditures.
- b. The Board monitors corporate performance against the strategic and business plans, including assessing operating results to evaluate whether the business is being properly managed.
- c. The Board identifies the principal business risks of the Corporation and ensures that there are appropriate systems put in place to manage these risks.
- d. The Board monitors and ensures the integrity of the internal controls and procedures (including adequate management information systems) within the Corporation and its financial reporting procedures of the Corporation.
- e. The Board is responsible for ensuring appropriate standards of corporate conduct including, adopting a corporate code of business conduct and ethics (the "**Code of Business Conduct and Ethics**") for all employees and senior management, and monitoring compliance with such code, if appropriate. Any waiver from any part of the corporate Code of Business Conduct and Ethics for officers or directors requires the express approval of the Board and, if required by applicable securities regulatory authorities, public disclosure.
- f. The Board is responsible for the review and approval of quarterly and annual financial statements, management's discussion and analysis related to such financial statements, and forecasts.
- g. The Board is responsible for establishing and reviewing from time to time a dividend policy for the Corporation.
- h. The Board is responsible for reviewing the compensation of members of the Board to ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective director and for reviewing the compensation of members of the senior management team to ensure that they are competitive within the industry and that the form of compensation aligns the interests of each such individual with those of the Corporation.
- i. The Board reviews and approves material transactions not in the ordinary course of business.
- j. The Board reviews and approves the budget on an annual basis, including the spending limits and authorizations, as recommended by the Audit Committee.

- k. The Board ensures that there is in place appropriate succession planning, including the appointment, training and monitoring of senior management and members of the Board.
- l. The Board is responsible for assessing its own effectiveness in fulfilling its mandate and evaluating the relevant disclosed relationships of each independent director and shall make an affirmative determination that such relationship does not preclude a determination that the director is independent.
- m. The Board approves a disclosure policy that includes a framework for investor relations and a public disclosure policy.
- n. The Board is responsible for satisfying itself as to the integrity of the chief executive officer (the “**Chief Executive Officer**”) and other senior officers and that the Chief Executive Officer and other senior officers create a culture of integrity throughout the organization. The Board is responsible for developing and approving goals and objectives which the Chief Executive Officer is responsible for meeting.
- o. The Board is responsible for developing the Corporation’s approach to corporate governance principles and guidelines that are specifically applicable to the Corporation.
- p. The Board is responsible for performing such other functions as prescribed by law or assigned to the Board in the Corporation's governing documents.
- q. Set forth below are procedures relating to the Board’s operations:
 - i. Size of Board and selection process – The directors of the Corporation are elected each year by the shareholders at the annual meeting of shareholders. The Board will determine nominees to be presented to the shareholders for election based upon the following considerations: (i) the competencies and skills which the Board as a whole should possess; (ii) the competencies and skills which each existing director possesses; and (iii) the appropriate size of the Board to facilitate effective decision-making. Any shareholder may propose a nominee for election to the Board either by means of a shareholder proposal upon compliance with the requirements of the *Business Corporations Act* (Ontario) (“**OBCA**”) or at the annual meeting. Between annual meetings, the Board may appoint directors to serve until the next annual meeting, subject to compliance with the OBCA. Individual Board members are responsible for assisting the Board in identifying and recommending new nominees for election to the Board, as needed or appropriate.
 - ii. Qualifications – Directors should have the highest personal and professional ethics and values and be committed to advancing the best interests of the Corporation. They should possess skills and competencies in areas that are relevant to the Corporation’s activities. At least two-thirds of the directors will be “independent” directors within the meaning of National Instrument 52-110 – *Audit Committees*, of the Canadian Securities Administrators.
 - iii. Director orientation and continuing education – The Board, together with the Corporate Governance and Nominating Committee is responsible for providing a comprehensive orientation and education program for new directors which fully sets out:
 - a. the role of the Board and its committees;
 - b. the nature and operation of the business of the Corporation; and
 - c. the contribution which individual directors are expected to make to the Board in terms of both time and resource commitments.

In addition, the Board together with the Corporate Governance and Nominating Committee is also responsible for providing continuing education opportunities to existing directors so that individual directors can maintain and enhance their abilities and ensure that their knowledge of the business of the Corporation remains current. The Corporate Governance

and Nominating Committee shall periodically canvas the directors to determine their training and education needs and interests.

- iv. Independent Meetings - The independent directors shall meet at the end of each Board meeting without management and non-independent directors present. The independent directors shall appoint a Chair to chair these meetings.
- v. Committees – The Board has established the following standing committees to assist the Board in discharging its responsibilities: the Audit Committee, the Corporate Governance and Nominating Committee, and the Compensation Committee. Special committees are established from time to time to assist the Board in connection with specific matters. The chair of each committee reports to the Board following meetings of the committee. The terms of reference of each standing committee are reviewed annually by the Board.
- vi. Evaluation – The Corporate Governance and Nominating Committee will oversee an annual evaluation of the effectiveness of the Board as a whole, the committees of the Board, and the contributions of individual directors, through a confidential survey process.
- vii. Compensation – The Compensation Committee recommends to the Board the compensation and benefits for non-management directors. The Compensation Committee seeks to ensure that such compensation and benefits reflect the responsibilities and risks involved in being a director of the Corporation and align the interests of the directors with the best interests of the shareholders.
- viii. Nomination – The Corporate Governance and Nominating Committee from time to time, will identify and recommend new nominees as directors of the Corporation, based upon the following considerations
 - a. the competencies and skills necessary for the Board as a whole to possess;
 - b. the competencies and skills necessary for each individual director to possess;
 - c. competencies and skills which each new nominee to the Board is expected to bring; and
 - d. whether the proposed nominees to the Board will be able to devote sufficient time and resources to the Corporation.

The Corporate Governance and Nominating Committee will annually review the general and specific criteria applicable to candidates to be considered for nomination in order to maintain the composition of the Board in a way that provides the best mix of skills and experience to guide the long-term strategy and business operations of the Corporation. The review will take into account the desirability of maintaining a reasonable diversity of background skills and experience and personal characteristics among the directors, along with the key common characteristics required for effective Board participation

- ix. Access to independent advisors – The Board may at any time retain outside financial, legal or other advisors at the expense of the Corporation. Any director may, subject to the approval of the Corporate Governance and Nominating Committee, retain an outside advisor at the expense of the Corporation.
- x. Director Terms - While directors are elected annually by shareholders, there is an informal expectation by the Board that each director commit to serving for at least eight to ten years and there is a term limit of ten years, as determined on a case by case basis by the Board. To ensure continuity, the Board will, as appropriate, consider limiting the number of replacement candidates as a result of term limits to one in any applicable year.
- xi. Retirement – No person may be nominated for election to the Board at the annual meeting of shareholders next held following the date on which he or she attains the age of 75 years. The

Board may, having regard to the specific skills and expertise of a director and the needs of the Board, determine that a director who would otherwise be prevented from standing for election to the Board due to his or her age, may stand for re-election to the Board.

- xii. Director Interlocks – No two directors shall sit together on two or more corporate boards without the approval of the Board. If such a situation does exist, the Corporate Governance and Nominating Committee shall annually review the continued appropriateness of the situation and make a recommendation to the Board.
- xiii. Multiple Board Memberships - No director shall sit on more than five corporate boards, including the Board, without the approval of the Board. No director who is also an executive officer of the Corporation shall sit on more than two corporate boards, including the Board, without the approval of the Board. If such a situation does exist, the Corporate Governance and Nominating Committee shall annually review the appropriateness of that director's continued membership on the Board and make a recommendation to the Board.
- xiv. Equity Ownership Guidelines - Each director is required to acquire common shares of the Company having an initial acquisition value equal to three times his or her annual retainer. Directors are expected to achieve this level of ownership within five years from the date they become directors. Directors may apply the deferred share units that they receive as payment for all or part of their annual retainer towards this minimum equity ownership requirement. If the annual retainer is increased, all directors are required to achieve the increased minimum equity ownership level within two years of the effective date of the increase in the annual retainer. For greater certainty, the determination as to whether a director has met this minimum equity ownership level will be made with reference to the value of the common shares (or deferred share units) at the time of their acquisition, and not the then current market price.

4. LEAD DIRECTOR

- a. The Board will appoint a Lead Director in circumstances in which the Chair of the Board is not considered independent under applicable securities laws, in order to provide independent leadership to the Board and for the other purposes set forth below.
- b. The Lead Director will hold office at the pleasure of the Board, until a successor has been duly elected or appointed or until the Lead Director resigns or is otherwise removed from the office by the Board.
- c. The Lead Director will provide independent leadership to the Board and will facilitate the functioning of the Board independently of the Corporation's management. Together with the Chair of the Corporate Governance and Nominating Committee, the Lead Director will be responsible for the corporate governance practices of the Corporation.

5. REPORTING

The Board is responsible for reviewing and submitting to the shareholders of the Corporation recommendations concerning any matters to be voted upon at any meeting of the shareholders of the Corporation and assuring that all reporting requirements of the Corporation to its shareholders are met at all times.

The Board approves the content of the Corporation's major communications to shareholders and the investing public, including the interim and annual reports, the Management Proxy Circular, the Annual Information Form, any prospectuses that may be issued and significant press releases.

6. AUTHORITY

- The Board has the authority to:

- a. manage, or supervise the management of, the business and affairs of the Corporation in accordance with law;
- b. engage independent counsel and other advisors including accounting or other consultants or experts as it determines necessary to carry out its duties;
- c. set and pay the compensation for advisors employed by the Board;
- d. access, on an unrestricted basis, the books and records of the Corporation; and
- e. conduct any investigation appropriate to its responsibilities, and it may request the external auditors, as well as any officer of the Corporation, or outside counsel for the Corporation, to attend a meeting of the Board or to meet with any members of, or advisors to, the Board or any Committees of the Board.

Dated: August 10, 2011, as amended on April 13, 2015, May 9, 2016, March 2, 2018 and March 2, 2020.

Schedule "A"
ECOSYNTHETIX INC.
POSITION DESCRIPTION FOR THE
CHAIR OF THE BOARD OF DIRECTORS

1. PURPOSE

The Chair of the Board shall be a director who is designated by the full Board to act as the leader of the Board.

2. WHO MAY BE CHAIR

The Chair will be selected amongst the directors of the Corporation who have a sufficient level of experience with corporate governance issues to ensure the leadership and effectiveness of the Board.

The Chair will be selected annually at the first meeting of the Board following the annual general meeting of shareholders.

3. RESPONSIBILITIES

The following are the responsibilities of the Chair. The Chair may delegate or share, where appropriate, certain of these responsibilities with the Corporate Governance and Nominating Committee and/or any other independent committee of the Board:

- a. Chairing all meetings of the Board in a manner that promotes meaningful discussion.
- b. Providing leadership to the Board to enhance the Board's effectiveness, including:
 1. Ensuring that the responsibilities of the Board are well understood by both management and the board;
 2. Ensuring that the Board works as a cohesive team with open communication;
 3. Ensuring that the resources available to the Board (in particular timely and relevant information) are adequate to support its work;
 4. 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
 5. 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.
- c. Managing the Board, including:
 1. 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;
 2. Adopting procedures to ensure that the Board can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;

3. Ensuring meetings are appropriate in terms of frequency, length and content;
 4. Ensuring that, where functions are delegated to appropriate committees, the functions are carried out and results are reported to the Board;
 5. Ensuring that a succession planning process is in place to appoint senior members of management when necessary;
 6. Together with any special committee appointed for such purpose, approaching potential candidates once potential candidates are identified, to explore their interest in joining the Board and proposing new nominees for appointment to the Board and its committees; and
 7. Ensuring procedures are established to assess and recommend new nominees for appointment to the Board and its committees.
- d. Acting as liaison between the Board and management to ensure that relationships between the Board and management are conducted in a professional and constructive manner. This involves working with the Corporate Governance and Nominating Committee to ensure that the Corporation is building a healthy governance culture.
 - e. At the request of the Board, representing the Corporation to external groups such as shareholders and other stakeholders, including community groups and governments.

Schedule "B"

ECOSYNTHETIX INC.

POSITION DESCRIPTION FOR THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer's primary role is to take overall supervisory and managerial responsibility for the day to day operations of the Corporation's business and to manage the Corporation in an effective, efficient and forward-looking way and to fulfil the priorities, goals and objectives determined by the Board in the context of the Corporation's strategic plans, budgets and responsibilities set out below, with a view to increasing shareholder value. The Chief Executive Officer is responsible to the Board.

Without limiting the foregoing, the Chief Executive Officer is responsible for the following:

1. Develop and maintain the Corporation's goal to operate to the highest standards of the industry.
2. Maintain and develop with the Board strategic plans for the Corporation and implement such plans to the best abilities of the Corporation.
3. Provide quality leadership to the Corporation's staff and ensure that the Corporation's human resources are managed properly.
4. Provide high-level policy options, orientations and discussions for consideration by the Board.
5. Together with any special committee appointed for such purpose, maintain existing and develop new strategic alliances and consider possible merger or acquisition transactions with other companies which will be constructive for the Corporation's business and will help enhance shareholder value.
6. Provide support, co-ordination and guidance to various responsible officers and managers of the Corporation.
7. Ensure communications between the Corporation and major stakeholders, including and most importantly the Corporation's shareholders, are managed in an optimum way and are done in accordance with applicable securities laws.
8. Provide timely strategic, operational and reporting information to the Board and implement its decisions in accordance with good governance, with the Corporation's policies and procedures, and within budget.
9. Act as an entrepreneur and innovator within the strategic goals of the Corporation.
10. Co-ordinate the preparation of an annual business plan.
11. Ensure appropriate governance skills development and resources are made available to the Board.
12. Provide a culture of high ethics throughout the organization.
13. Take primary responsibility for the administration of all of the Corporation's sub- areas and administrative practices.

Schedule "C"

POSITION DESCRIPTION FOR THE LEAD DIRECTOR

The Lead Director will:

1. In conjunction with the Chair of the Corporate Governance and Nominating Committee, provide leadership to ensure that the Board functions independently of management of the Corporation;
2. In the absence of the Chair, act as chair of meetings of the Board;
3. Recommend, where necessary, the holding of special meetings of the Board;
4. Review with the Chair and the Chief Executive Officer items of importance for consideration by Board;
5. Consult and meet with any or all of the Corporation's independent directors, at the discretion of either party and with or without the attendance of the Chair, and represent such directors in discussions with management of the Corporation concerning corporate governance issues and other matters;
6. Together with the Chair, ensure that all business required to come before the Board is brought before the Board, such that the Board is able to carry out all of its duties to supervise the management of the business and affairs of the Corporation;
7. Together with the Chair and the Chair of the Corporate Governance and Nominating Committee, ensure that the Board, committees of the Board, individual directors and senior management of the Corporation understand and discharge their duties and obligations under the approach to corporate governance adopted by the Board from time to time;
8. Mentor and counsel new members of the Board to assist them in becoming active and effective directors;
9. Facilitate the process of conducting director evaluations;
10. Promote best practices and high standards of corporate governance; and
11. Perform such other duties and responsibilities as may be delegated to the Lead Director by the Board from time.