



NEPTUNE WELLNESS SOLUTIONS INC.

COMPENSATION & HR COMMITTEE CHARTER

**Lastly Approved by the Board of Directors
On April 24, 2020**

NEPTUNE WELLNESS SOLUTIONS INC.

COMPENSATION & HR COMMITTEE CHARTER

1. Purpose

The Compensation and Human Resources Committee (the “**Committee**”) of Neptune Wellness Solutions Inc. (the “**Corporation**”) is responsible for: (a) establishing corporate goals and objectives relevant to compensation of the Chief Executive Officer of the Corporation (the “**CEO**”); (b) evaluating the CEO’s performance and determination of the CEO’s compensation; (c) in consultation with the CEO, establishing corporate and personal performance objectives for executive officers of the Company other than the CEO (the “**Executives**”); (d) in consultation with the CEO, evaluating the performance, and determining the compensation for Executives; (e) evaluating and determining the compensation of the directors of the Corporation (the “**Board**”); and (f) overseeing the key compensation policies including incentive and equity-based compensation plans of the Corporation.

2. Duties and Responsibilities

The Committee shall perform the functions customarily performed by compensation committees and any other functions assigned by the Board. In particular, the Committee shall have the following duties and responsibilities:

2.1. Appointment, Hiring, Evaluation of the CEO, Other Officers and Executives

- 2.1.1. Consider and recommend for approval by the Board: (i) the appointment of the CEO and all other Officers and the Executives of the Corporation; and (ii) a succession plan with respect to the position of CEO, as may be required.
- 2.1.2. Review with the CEO management’s assessment of existing management resources and plans for ensuring that qualified personnel will be available as required for succession of the Executives, and the other Officers and to report on this matter to the Board at least once each year.
- 2.1.3. Review and assess annually, in conjunction with the Board, the performance of the CEO against pre-set specific corporate and individual goals and objectives approved by the Committee.
- 2.1.4. Review with the CEO the annual performance assessments of the other Officers and the Executives and to report annually to the Board on these assessments.

2.2. Compensation and Organizational Structure

- 2.2.1. Oversee and recommend for approval by the Board the Corporation’s executive compensation principles, policies, programs, grants of equity-based incentives and processes and to specifically consider and recommend annually or as required: (i) for approval by the independent directors of the Board all forms of compensation for the CEO; and (ii) for approval by the Board all forms of compensation for the other Officers and the Executives.
- 2.2.2. Review the Corporation’s Compensation Discussion & Analysis and related executive

compensation disclosure for inclusion in the Corporation's public disclosure documents, in accordance with applicable rules and regulations.

- 2.2.3. Review with the Chief Executive Officer any proposed major changes in organization or personnel.
- 2.2.4. Review any proposed major changes in the Corporation's benefit plans and recommend for approval any change requiring Board action.
- 2.2.5. Review, monitor, report, and where appropriate, provide recommendations to the Board on the Corporation's exposure to risks related to executive compensation policies and practices, if any, and identify compensation policies and practices that mitigate any such risk.
- 2.2.6. Review, monitor, report, and where appropriate, provide recommendations to the Board for appropriate policies that require management to ensure succession planning for key executive positions.
- 2.2.7. Review, monitor, report, and where appropriate, provide recommendations to the Board for appropriate policies that require management to maintain appropriate compensation and benefits, as well as appropriate human resources practices;

3. Evaluation of the Committee and Report to Board

- 3.1. The Committee shall evaluate and review with the Board, on an annual basis, the performance of the Committee.
- 3.2. The Committee shall report to the Board periodically on the Committee's activities.

4. Outside advisors

- 4.1. The Committee shall have the authority to engage outside counsel and other outside advisors as it deems appropriate to assist the Committee in the performance of its functions. The Corporation shall provide appropriate funding for such advisors as determined by the Committee.
- 4.2. The Committee may select, or receive advice from, a compensation consultant, legal counsel or other adviser to the Committee, other than in-house legal counsel, only after taking into consideration the following six factors:
 - 4.2.1. the provision of other services to the Corporation by the person that employs the compensation consultant, legal counsel or other adviser;
 - 4.2.2. the amount of fees received from the Corporation by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
 - 4.2.3. the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;

- 4.2.4. any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
 - 4.2.5. any stock of the Corporation owned by the compensation consultant, legal counsel or other adviser; and
 - 4.2.6. any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an Senior Management of the Corporation.
- 4.3. The Committee may select, or receive advice from, any compensation adviser they prefer, including ones that are not independent, after considering the six independence factors outlined above.

5. **Membership**

- 5.1. The Committee shall be composed of a minimum of three (3) independent members of the Board (as defined under Rule 5605 (a)(2) of the Nasdaq Stock Market and reproduced under Schedule "A" hereto), all of which will be directors not occupying or not having occupied a management or employee position within the Corporation during the last two (2) years, or being considered as a control shareholder within the meaning given to this expression in the securities legislation. The Chair of the Committee shall be independent and free of any relation which, in the Board's opinion, could interfere with the exercise of their independence and objectivity as a member of the Committee.
- 5.2. In addition, in affirmatively determining the independence of any director who will serve on the Committee, the Board will consider all factors specifically relevant to determining whether a director has a relationship to the Corporation which is material to that director's ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to:
- 5.2.1. the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Corporation to such director; and
 - 5.2.2. whether such Director is affiliated with the Corporation, a subsidiary of the Corporation or an affiliate of a subsidiary of the Corporation.
- 5.3. The members of the Committee shall be appointed by the Board and will carry out their duties until the next annual Board meeting or until their successors are duly elected. Unless the Chair of the Committee is appointed by the whole Board, the members of the Committee will be able to appoint a Chair by majority vote in the presence of all the members of the Committee.

6. **Committee Chair**

- 6.1. The Chair of the Committee shall be appointed by the Board and shall be independent of the Corporation. The Chair of the Committee leads the Committee in all aspects of its work and is responsible to effectively manage the affairs of the Committee and ensure that it is properly organized and functions efficiently. More specifically, the Chair of the Committee shall:
- 6.1.1. Provide leadership to enable the Committee to act effectively in carrying out its duties and responsibilities as described elsewhere in this Charter and as otherwise may be appropriate;

- 6.1.2. In consultation with the Chair of the Board and the CEO, ensure that there is an effective relationship between management and the members of the Committee;
- 6.1.3. Chair meetings of the Committee;
- 6.1.4. In consultation with the CEO, the Corporate Secretary and the Chair of the Board, determine the frequency, dates and locations of meetings of the Committee;
- 6.1.5. In consultation with the CEO, and the Corporate Secretary, review the annual work plan and the meeting agendas to ensure all required business is brought before the Committee to enable it to efficiently carry out its duties and responsibilities;
- 6.1.6. Ensure, in consultation with the Chair of the Board, that all items requiring the Committee's approval are appropriately tabled;
- 6.1.7. Ensure the proper flow of information to the Committee and review, with the CEO, and the Corporate Secretary, the adequacy and timing of materials in support of management's proposals;
- 6.1.8. Report to the Board on the matters reviewed by, and on any decisions or recommendations of, the Committee at the next meeting of the Board following any meeting of the Committee; and
- 6.1.9. Carry out any special assignments or any functions as requested by the Board.

7. Term

The members of the Committee shall be appointed or changed by resolution of the Board to hold office from the time of their appointment until the next annual general meeting of the shareholders or until their successors are so appointed.

8. Procedures for meetings

The Committee shall fix its own procedure at meetings and for the calling of meetings. The Committee will meet as necessary. The Committee shall meet in executive session in the absence of management, at each regularly scheduled meeting.

9. Quorum and voting

Unless otherwise determined from time to time by resolution of the Board, two members of the Committee shall constitute a quorum for the transaction of business at a meeting. For any meeting(s) at which the Chair of the Committee is absent, the Chair of the meeting shall be the person present who shall be decided upon by all members present. At a meeting, any question shall be decided by a majority of the votes cast by the Committee members, except where only two members are present, in which case any question shall be decided unanimously.

10. Secretary

Unless otherwise determined by resolution of the Board, the Corporate Secretary of the Corporation or his/her delegate shall be the Secretary of the Committee.

11. Vacancies

Vacancies at any time occurring shall be filled by resolution of the Board.

12. Records

The Committee shall keep such records as it may deem necessary of its proceedings and shall report regularly its activities and recommendations to the Board as appropriate.

13. Review of Charter

The Committee will, from time to time, review and assess the adequacy of this Charter and recommend any proposed changes for consideration. The Board may amend this Charter, as required.