



MYDECINE™
INNOVATIONS GROUP

TERMS OF REFERENCE FOR ALL MEMBERS OF THE BOARD OF DIRECTORS

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The Governance Box
Tools for Your Boardroom

MEMORANDUM

To: Board of Directors of Mydecine Innovations Group Inc.

From: Todd Heinzl

Ref: Terms of Reference for all member of the Board of Directors

Date: November 24, 2024

This memorandum provides a brief overview of Terms of Reference describing to you the various responsibilities of the individual members of the Board of Directors of Mydecine Innovations Group Inc. As you are aware, there are several key responsibilities that each member has in conjunction with their fiduciary focus to both company and the company shareholders. The following pages provides a brief description of the key areas for the Board of Directors to focus on with this memorandum.

GBX recommends you adopt the proposed references, guidelines, and procedures subject to further discussion and comments from management and the Company's board of directors (the "Board").

Please do not hesitate to contact (647) 985-5478 if you have any questions concerning the issues discussed in this memorandum or any other governance matters that may arise.

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TERMS OF REFERENCE FOR THE CHAIR OF A “COMMITTEE”

I. APPOINTMENT OF COMMITTEE CHAIR

A. Appointment

The Chair of each Committee of the Board of Directors (the “Board”) of Mydecine Innovations Group Inc. (the “Corporation”) shall be appointed annually by the Board upon recommendation of the Corporate Governance & Nominating Committee.

B. Qualifications of a Committee Chair

Each Committee Chair shall:

1. be an independent director for the purposes of and pursuant to the Corporation's Corporate Governance Guidelines;
2. be an “unrelated” and “independent” director as defined in and for the purposes of any applicable governance guidelines or listing standards of any stock or securities exchange upon which the securities of the Corporation are from time to time listed;
3. be an “independent” director for the purposes of any applicable corporate, securities or other legislation or any rule, regulation, instrument, policy, guideline, or interpretation under such legislation; and
4. meet all specific criteria required generally for members of the Committee of which he or she is Chair.

II. PROCEDURES

A. Vacancy

Where a vacancy occurs at any time in the position of a Committee Chair, it shall be filled by the Board upon recommendation of the Corporate Governance & Nominating Committee. The Board may remove and replace a Committee Chair at any time.

III. COMMITTEE CHAIR DUTIES

A. General Duties

Generally, the Chair of a Committee shall lead the Committee and, in particular, shall:

1. Organize the Committee to function independently of management; and
2. Set the “tone” for the Committee and its members to foster ethical and responsible decision making, appropriate oversight of management and best practices in corporate governance.

B. Specific Duties

The Chair of a Committee shall have specific responsibility to:

1. ensure that the Committee has an opportunity to meet separately without management present;
2. ensure that directors understand the boundaries between the Committee and management responsibilities;
3. determine, in consultation with the Committee and management, the time and place of the meetings of the Committee;
4. Manage the affairs of the Committee, including ensuring that the Committee is organized properly, functions effectively and meets its obligations and responsibilities;
5. Coordinate with management and the secretary of the Committee to ensure that matters to be considered by the Committee are properly presented and given the appropriate opportunity for discussion;
6. Provide advice and counsel to the Chief Executive Officer and other senior members of management in the areas covered by the Committee's mandate;
7. preside as chair of each meeting of the Committee;
8. in consultation with the Corporate Governance & Nominating Committee, lead the Committee in monitoring and evaluating the effectiveness of the Committee and the contributions to the Committee of individual directors; and
9. communicate with all members of the Committee to coordinate their input, ensure their accountability, and provide for the effectiveness of the Committee.

TERMS OF REFERENCE FOR THE CHIEF EXECUTIVE OFFICER (CEO)

I. INTRODUCTION

These Terms of Reference are intended to identify the specific responsibilities of the Chief Executive Officer (“CEO”) of Mydecine Innovations Group Inc. (the “Corporation”) and thereby to enhance coordination and communication between the CEO and the Board of Directors (the “Board”). The responsibilities identified here are to be carried out consistently with the principles stated in the Corporation’s Corporate Governance Guidelines and the Corporation’s Code of Business Conduct and Ethics. These Terms of Reference complement the Charters for the Board and for the four committees of the Board, as well as the respective Terms of Reference for the Board Chair and for Individual Directors.

II. OVERVIEW OF RESPONSIBILITIES: THE BOARD AND THE CHIEF EXECUTIVE OFFICER

The CEO’s primary responsibility is to lead the Corporation. While the Board is responsible for managing, or supervising the management of the business, the CEO is responsible for the executive leadership and operational management of the Corporation. The CEO formulates the Corporation’s proposed goals, strategies, and objectives, and presents them to the Board for approval. The Board approves the goals, and the strategies and objectives within which the Corporation is managed and oversees management performance and compensation. The CEO keeps the Board informed of the Corporation’s progress towards its goals and of all material deviations from the goals, strategies, and objectives approved by the Board.

III. SPECIFIC RESPONSIBILITIES

Specifically, the CEO is responsible for exercising leadership in the following areas:

A. Strategic Leadership:

1. Formulate and recommend goals, strategies, and objectives to the Board that ensures the maximization of shareholder value and the long-term success of the Corporation;
2. Lead and manage the Corporation within parameters established by the Board and relevant committees;
3. Review and report regularly to the Board concerning the Corporation’s progress towards its goals and all material deviations from the goals, strategies, and objectives approved by the Board, including updating and making changes as required, and involving the Board in the early stages of developing strategy;
4. Implement the capital and operating plans that support the strategic plan;
5. Review and report regularly to the Board on the overall progress and results against operating and financial objectives and initiate courses of action for improvement;

6. Identify the principal risks of the Corporation's business and implement appropriate systems to manage these risks; and
7. Keep the Board fully informed of all significant operational, financial, and other matters relevant to the Corporation, including legal, regulatory, and governmental policy developments.

B. Financial Leadership

1. Develop annual capital commitment and expenditure budgets for approval by the Board;
2. Develop annual operating forecasts of revenue, expenditures, operational results, and financial performance, which serve as operating and financial guidelines and do not require Board approval except for those components specifically used in setting objectives for compensation purposes;
3. Authorize the commitment of funds to capital projects included in budgets approved by the Board or within the spending approval authority levels approved by the Board;
4. Authorize commitment of corporate resources, including contracts, transactions and arrangements in the ordinary course of business, in order to pursue the approved strategies, business plans, and objectives of the Corporation, provided, however, that major commitments, exposures, and risks are reported to the Board in a regular and timely basis; and
5. Take reasonable steps to ensure that the Corporation's assets are adequately safeguarded and optimized in the best interests of the shareholders.

C. Administrative Leadership

1. Develop and maintain a sound, effective organizational structure;
2. Ensure that all members of the organization have their responsibilities and authorities clearly established;
3. Discuss periodically with Human Resources and the Compensation Committee views as to a successor in the event of the CEO's unexpected incapacity;
4. Establish and maintain a plan for senior management development and succession;
5. Provide the Board, at Board and committee meetings, with exposure to the Corporation's key management and other employees who have the potential to become members of senior management; and

6. Ensure that officers obtain Board approval before accepting significant public service commitments or appointments to other boards of directors.

D. Public Leadership

1. Ensure that effective communication and appropriate relationships are maintained with the shareholders of the Corporation and other stakeholders;
2. Maintain or cause to be maintained such industry, governmental, public, or other external relationships as are deemed advisable and in the interests of the Corporation; and
3. Manage and oversee the required interaction between the Corporation and the public and act as the principal spokesperson for the Corporation.

E. Compliance Leadership

1. Establish effective control and coordination mechanisms for all operations and activities, and take reasonable steps to ensure the integrity of the internal control and management information systems;
2. Take reasonable steps to ensure the safe, efficient operation of the Corporation and to ensure compliance with the Corporation's environmental, health, and safety policies, procedures, and practices;
3. Ensure that all operations and activities of the Corporation are conducted in accordance with all laws and regulations, the Corporation's Code of Business Conduct and Ethics, sound business practices, and the other policies and practices approved by the Board; and
4. Foster a high-performance corporate culture that promotes ethical practices and encourages individual integrity, accountability, and social responsibility.

TERMS OF REFERENCE FOR THE CHAIRPERSON

I. APPOINTMENT OF CHAIR

A. Appointment

The Chairperson of the Board of Directors (the “Board”) of Mydecine Innovations Group Inc. Corporation (the “Corporation”) shall be appointed annually by the Board.

B. Qualifications of the Board Chair

The Board Chair shall be:

1. an independent director for the purposes of and pursuant to the Corporation's Corporate Governance Guidelines;
2. an “unrelated” and “independent” director as defined in and for the purposes of any applicable governance guidelines or listing standards of any stock or securities exchange upon which the securities of the Corporation are from time to time listed; and
3. an “independent” director for the purposes of any applicable corporate, securities or other legislation or any rule, regulation, instrument, policy, guideline, or interpretation under such legislation.

II. PROCEDURES

A. Vacancy

Where a vacancy occurs at any time in the position of Board Chair, the Board shall fill it. The Board may remove and replace the Board Chair at any time.

B. Outside Consultants or Advisors

The Board Chair, when he or she considers it necessary or desirable, may retain, at the Corporation's expense, outside consultants or advisors to advise the Board Chair or the Board independently on any matter. The Board Chair shall have the authority to retain and terminate any such consultants or advisors, including authority to review the fees and other retention terms of such persons.

III. BOARD CHAIR DUTIES

A. General Duties

Generally, the Board Chair shall lead the Board and shall:

1. organize the Board to function independently of management; and set the “tone” for the Board and its members to foster ethical and responsible decision making, appropriate oversight of management and best practices in corporate governance.

B. Specific Duties

The Board Chair is specifically responsible for:

1. scheduling time at each Board meeting for the Board to meet separately with no management present, and to meet separately with the Chief Executive Officer (“CEO”) with no other management present;
2. scheduling time at each Board meeting for the independent and unrelated members of the Board to meet without any members of the Board who are not independent and unrelated and without management present;
3. ensuring that directors understand the boundaries between the Board’s and management’s responsibilities;
4. determining, in consultation with the Board and management, the time and place of the meetings of the Board and of the shareholders of the Corporation;
5. managing the affairs of the Board, including ensuring that the Board is organized properly, functions effectively and meets its obligations and responsibilities;
6. coordinating with management and the Corporate Secretary to ensure that matters to be considered by the Board are properly presented and given the appropriate opportunity for discussion;
7. providing advice and counsel to the CEO and other senior members of management;
8. presiding as chair of each meeting of the Board;
9. presiding as chair of each meeting of the shareholders of the Corporation;

10. in consultation with the Corporate Governance & Nominating Committee, leading the Board in monitoring and evaluating the effectiveness of the Board the Board Chair, each of the Committees of the Board, each of the Committee Chairs, the contributions of individual Directors, and, in consultation with Human Resources and the Compensation Committee, monitoring and evaluating the performance of the CEO and developing management succession plans; and
11. Communicating with all members of the Board to co-ordinate their input, ensure their accountability and provide for the effectiveness of the Board and its committees.

TERMS OF REFERENCE FOR INDIVIDUAL DIRECTORS

I. INTRODUCTION

These Terms of Reference are intended to identify the specific responsibilities of individual members of the Board of Directors (the “Board”) of Mydecine Innovations Group Inc. (the “Corporation”) and thereby to enhance coordination and communication within the Board as well as between the Board and management. The responsibilities identified here are to be carried out consistently with the principles stated in the Corporation’s Corporate Governance Guidelines and the Corporation’s Code of Business Conduct and Ethics. These Terms of Reference complement the Charters for the Board and for the committees of the Board, as well as the respective Terms of Reference for the Board Chair and for the Chief Executive Officer (“CEO”).

II. RESPONSIBILITIES OF CORPORATE STEWARDSHIP

Each Director has the responsibility to:

1. advance the interests of the Corporation and the effectiveness of the Board by bringing his or her knowledge and experience to bear on the strategic and operational issues facing the Corporation;
2. exercise a director’s fiduciary obligations to shareholders and other stakeholders;
3. provide constructive counsel to and oversight of management;
4. preserve the confidentiality of non-public and proprietary information;
5. be available as a resource to management and to the Board; and
6. Demonstrate a willingness and availability for individual consultation with the Board Chair and the CEO.

III. RESPONSIBILITIES OF INTEGRITY AND LOYALTY

Each Director has the responsibility to:

1. comply with the Corporation's Code of Business Conduct and Ethics;
2. disclose to the Corporate Secretary, prior to the beginning of his or her service on the Board and thereafter upon the request of the Board Chair or the Corporate Secretary, all potential conflicts of interest so that a course of action can be determined to resolve any such conflicts before any interest of the Corporation is jeopardized;
3. immediately inform the Corporate Secretary, upon undertaking any new interests or relationships not previously disclosed, of this change in potential conflicts of interest; and
4. Disclose to the Board Chair, in advance of any Board vote or discussion if the Board or a committee of the Board is deliberating on a matter that may affect the Director's interests or relationships outside the Corporation, so that consideration can be given to the Director's abstention from discussion, abstention from voting, or another recusal.

IV. RESPONSIBILITIES OF DILIGENCE

Each Director has the responsibility to:

1. prepare for each Board and committee meeting by reading the reports and background materials provided for the meeting;
2. attend in person the annual meeting of shareholders, and attend all meetings of the Board and all meetings of committees of the Board of which the Director is a member, in person or by telephone, video conference, or other communication facilities that permit all persons participating in the meeting to communicate with each other, and make every effort to attend the annual meeting of shareholders; and
3. as necessary and appropriate, communicate with the Chair and with the CEO between meetings, including to provide notice of the Director's intention to introduce significant and previously unknown information at a Board meeting.

V. RESPONSIBILITIES OF EFFECTIVE COMMUNICATION

Each Director has the responsibility to:

1. participate fully and frankly in the deliberations and discussions of the Board;
2. encourage free and open discussion of the Corporation's affairs by the Board;
3. establish an effective, independent, and respected presence and a collegial relationship with other Directors;
4. focus inquiries on issues related to strategy, policy, and results;
5. respect the CEO's role as the chief spokesperson for the Corporation and participate in external communications only at the request of, with the approval of, and in coordination with, the CEO; and
6. Indicate where appropriate, when conveying personal views in public, that his or her views are personal and do not represent the views of the Corporation or the Board.

VI. RESPONSIBILITIES OF COMMITTEE WORK

Each Director has the responsibility to:

1. participate on committees and become knowledgeable about the purpose and goals of each committee; and
2. Understand the process of committee work, and the role of management and staff supporting the committee.

VII. RESPONSIBILITIES OF KNOWLEDGE ACQUISITION

Each Director has the responsibility to:

1. become generally knowledgeable of the Corporation's business and its industry;
2. participate in Director orientation and development programs developed by the Corporation from time to time;
3. maintain an understanding of the regulatory, legislative, business, social and political environments within which the Corporation operates; and
4. Become acquainted with the senior managers and potential candidates for management of the Corporation, including by visiting them in their workplace.

VIII. RESPONSIBILITIES OF PERSONAL AND PROFESSIONAL DEVELOPMENT

Each Director has the responsibility to enhance the competencies and qualities that led to the Director's election to the Board, including:

1. demonstrated integrity and high ethical standards and an established reputation for honesty and ethical conduct;
2. understanding of fiduciary duty;
3. financial literacy or accreditation; Communication, advocacy, and consensus-building skills;
4. Experience and abilities that complement those of other Board members to enhance the Board's effectiveness and performance; and
5. Willingness to devote sufficient time and energies to the work of the Board and its committees.

TERMS OF REFERENCE FOR A LEAD DIRECTOR

I. INTRODUCTION

These Terms of Reference are intended to identify the specific responsibilities of the Lead Director of the Board of Directors (the “Board”) of Mydecine Innovations Group Inc. (“the company”) and thereby to enhance coordination and communication within the Board as well as between the Board and management. The responsibilities identified here are to be carried out consistently with the principles stated in the company’s Corporate Governance Guidelines and the company’s Code of Business Conduct and Ethics. These Terms of Reference complement the Charters for the Board and for the committees of the Board, as well as the respective Terms of Reference for the Board Chair and for the Chief Executive Officer (“CEO”).

- A. The Board of Directors appoint the Lead Director.
- B. The Lead Director’s primary role is to:
 - a. To ensure that the Board of Directors operates independently of management; and
 - b. To provide Directors with an independent leadership contact.
- C. The Lead Director is an ex-officio member of committees where he/she is not appointed as a full member;
- D. The Lead Director may act as a voting member of a Committee to establish quorum upon the request of the Committee Chair.
- E. The Lead Director does not Chair any committees.

DUTIES AND RESPONSIBILITIES

The Lead Director has the responsibility to:

1. Chair the Board of Directors and Committees in the absence of the Chairs;
2. Chair an In-Camera session, as a standing item, without management or the Board Chair present, to give Directors an opportunity to discuss issues fully and frankly, provide feedback, and set future agenda items;
3. Provide input to the Board Chair, Committee Chairs, and Corporate Secretary on the preparation of agendas and schedules for Board and Committee meetings;
4. As requested by the Board of Directors, act as a liaison between the Board of Directors, Board Chair, and President & CEO;
5. As requested by the Board of Directors, act as a liaison between the Board of Directors and the Shareholder;
6. Assist the Board Chair with Shareholder relations; and
7. Review and manage Board Chair conflict of interest issues as they arise.

C. NON-EXHAUSTIVE LIST

The foregoing list of duties is not exhaustive, and the Lead Director may, in addition, perform such other functions as may be necessary or appropriate in the circumstances. The Lead Director shall have the power to delegate his or her authority and duties to an individual member of the Board as he or she considers appropriate.