



**NOTICE OF ANNUAL GENERAL MEETING  
OF SHAREHOLDERS  
TO BE HELD JUNE 7, 2022**

**Management Information Circular  
April 25, 2022**

# TABLE OF CONTENTS

PART I – VOTING INFORMATION .....	3
PART II – BUSINESS OF THE MEETING.....	6
1. Consolidated Financial Statements.....	6
2. Election of the Directors .....	6
3. Re-appointment of Auditors and Authorizing the Directors to Fix Remuneration .....	8
Other Matters Which May Come Before the Meeting.....	9
Interest of Certain Persons or Companies in Matters to be Acted Upon.....	9
PART III – STATEMENT OF EXECUTIVE COMPENSATION.....	9
Compensation Discussion and Analysis .....	9
Elements of Compensation .....	10
Performance Graph .....	11
Summary Compensation Table .....	11
Employment Agreements with NEOs .....	13
Termination and Change of Control Benefits.....	13
Compensation of Directors.....	14
Incentive Plan Awards – Directors .....	16
Securities Authorized for Issuance under Equity Compensation Plans.....	18
LTIP Plan.....	18
Management Contracts .....	21
Indebtedness of Directors and Officers.....	21
Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs .....	21
Interest of Informed Persons in Material Transactions.....	21
PART IV – CORPORATE GOVERNANCE DISCLOSURE .....	22
Board of Directors .....	22
Independent Directors .....	22
Board Charter.....	23
Board Meetings .....	24
Other Directorships .....	24
Ethical Business Conduct .....	24
Nomination of Directors.....	25
Board Committees .....	26
Audit Committee.....	26
Compensation, Governance and Nominating Committee .....	27
PART V – ADDITIONAL INFORMATION.....	28
PART VI – GENERAL .....	28

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## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

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**NOTICE IS HEREBY GIVEN** that the annual general meeting of shareholders (the “**Meeting**”) of CareRx Corporation (the “**Company**”) will be held at 320 Bay Street, Suite 1200, Toronto, Ontario, M5H 4A6 on June 7, 2022 at 10:00 a.m. (Eastern time) for the following purposes:

1. to receive the consolidated financial statements of the Company for the year ended December 31, 2021 together with the auditors’ report on those statements;
2. to elect the board of directors of the Company;
3. to re-appoint PricewaterhouseCoopers LLP, Chartered Professional Accountants, as the auditors of the Company for the ensuing year and authorize the directors to fix the remuneration of the auditors; and
4. to transact any other business properly before the Meeting.

The accompanying Circular provides additional information relating to matters to be dealt with at the Meeting.

This year, the Company will be using “notice and access” to provide proxy materials to registered and beneficial holders of common shares of the Company over the internet. This delivery process expedites shareholders’ receipt of proxy materials and reduces the costs and environmental impact of the Meeting. On or about May 6, 2022, the Company will send to shareholders as of the record date a Notice and Access Notification (the “**Notification**”) containing instructions on how to access our proxy materials for the Meeting. The Notification includes instructions on how to vote online and on how to request a paper copy of the proxy materials by mail.

Shareholders are reminded to review the Circular before voting. Electronic copies of this Notice of Meeting and the Circular may be found on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com) and also on the Company’s website at [www.carerx.ca](http://www.carerx.ca) and at <https://docs.tsxtrust.com/2244>. You are eligible to vote your common shares of the Company if you were a shareholder of record at the close of business on April 25, 2022.

**If you are a registered shareholder of the Company** and are unable to attend the Meeting or any adjournment(s) or postponement(s) thereof in person, please date, sign and return the accompanying form of proxy to TSX Trust Company, by mail or by hand delivery at 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada, M5H 4H1, or by facsimile at (416) 595-9593, Attention: Proxy Department, at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting time.

**If you are not a registered shareholder of the Company**, a voting instruction form, instead of a form of proxy, may be enclosed. You must follow the instructions, including deadlines for submission, on the voting instruction form in order to vote your shares.

DATED at Toronto, Ontario this 25<sup>th</sup> day of April, 2022.

By Order of the Board



Kevin Dalton, Chairman of the Board

# MANAGEMENT INFORMATION CIRCULAR

## PART I – VOTING INFORMATION

### 1. What am I voting on?

Common shareholders of CareRx Corporation (the “**Company**”) are voting on the election of directors and the re-appointment of the auditors for the Company.

### 2. Who is entitled to vote?

Persons registered as shareholders of common shares of the Company (“**Shares**”) as at the close of business on April 25, 2022 (the “**Record Date**”) are entitled to vote at the Meeting. Each Share entitles its holder to one vote on those items of business identified in the Notice of Annual General Meeting of Shareholders (the “**Notice of Meeting**”) accompanying this Management Information Circular (the “**Circular**”).

### 3. How do I vote?

If you are a registered shareholder, you may vote in advance of the Meeting via the internet by going to [www.voteproxyonline.com](http://www.voteproxyonline.com) and entering the 12 digit control number contained in the form of proxy. You may also vote by facsimile or by mail by following the instructions on the form of proxy (if you are a registered shareholder) or the voting instruction form (if you are not a registered shareholder). You may also have the right to sign the enclosed form of proxy or voting instruction form appointing the persons named in the proxy or some other person you choose, who need not be a shareholder, to represent you as proxyholder and vote your Shares at the Meeting. **If you are not a registered shareholder and your Shares are held in the name of a nominee (such as a bank, trust corporation, securities broker, trustee or other financial institution), please see Question #15 on page 5 for voting instructions.**

### 4. What if I plan to attend the Meeting and vote in person?

If you are a registered shareholder and plan to attend the Meeting on June 7, 2022 and wish to vote your Shares in person at the Meeting, do not complete or return the form of proxy. Your vote will be taken and counted at the Meeting. Please register with the Company’s transfer agent, TSX Trust Company (the “**Transfer Agent**”), upon your arrival at the Meeting. If your Shares are held in the name of a nominee, please see Question #15 on page 5 for voting instructions.

### 5. Who is soliciting my proxy?

The enclosed form of proxy is being solicited by the management of the Company and the associated costs will be borne by the Company. The solicitation will be made primarily by mail. Proxies may also be solicited personally or by telephone by employees, officers and directors of the Company.

### 6. What if I sign the form of proxy enclosed with this Circular?

Signing the enclosed form of proxy gives authority to Mr. Kevin Dalton or Mr. Paul Rakowski, each of whom is a director or officer of the Company, or to another person you have appointed, to vote your Shares at the Meeting.

### 7. Can I appoint someone other than the management designees to vote my Shares?

**Yes. Write the name of this person, who need not be a shareholder, in the blank space provided in the form of proxy.** It is important to ensure that any other person you appoint who is attending the Meeting is aware that he or she has been appointed to vote your Shares. Proxyholders should register with the Transfer Agent upon arrival at the Meeting

**8. What do I do with my completed proxy?**

As an alternative to online voting, you may return your completed proxy to the Transfer Agent, in the envelope provided or by fax to 416-595-9593, so that it arrives no later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays in the Province of Ontario) before the time of the Meeting or any adjournment thereof at which the proxy is to be used. The time limit for the deposit of proxies may be waived by the Chairman of the Meeting at his discretion, without notice. This will ensure that your vote is recorded.

**9. If I change my mind, can I take back my proxy once I have given it?**

Yes. If you change your mind and wish to revoke your proxy, you may prepare a written statement to this effect. The statement must be signed by you or your attorney as authorized in writing, or if the shareholder is a company, under its corporate seal or by an officer or attorney of the company duly authorized. This statement must be delivered to the Corporate Secretary of the Company at the following address so that it arrives no later than close of business on the day before the day of the Meeting (excluding Saturday, Sundays or holidays in the Province of Ontario) or at any adjournment of the Meeting.

CareRx Corporation  
Corporate Secretary  
320 Bay Street  
Suite 1200  
Toronto, Ontario, M5H 4A6

Fax: 416-619-9499

Your proxy may also be revoked in any other manner permitted by law.

**10. How will my Shares be voted if I give my proxy?**

The persons named on the form of proxy must vote FOR or WITHHOLD from voting your Shares with respect to the election of directors and the appointment of auditors, and FOR or AGAINST for all other matters in accordance with your instructions, or you can let your proxyholder decide for you. In the absence of such instructions, proxies received by management will be voted FOR the election of the nominees (as listed in this Circular) as directors of the Company and FOR the re-appointment of the auditors of the Company.

**11. What if amendments are made to these matters or if other matters are brought before the Meeting?**

The persons named in the form of proxy will have discretionary authority with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters, which may properly come before the Meeting.

At the time of printing this Circular, management of the Company knows of no such amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the persons named in the form of proxy will vote on them in accordance with their best judgment.

**12. How many Shares are entitled to vote?**

As at the Record Date there were 46,894,349 Shares outstanding. Except as set out herein, each registered shareholder has one vote for each Share held at the close of business on the Record Date.

The Company has a number of significant shareholders who each hold over 10% of the Company's securities on a partially diluted basis, including: (i) Yorkville Asset Management Inc., for and on behalf of certain funds ("Yorkville"), who owns or exercises control or direction over 13,558,307 Shares and securities convertible into Shares, representing 26.0% of the Shares on a partially diluted basis, (ii) Bruce Moody, who owns or

exercises control or direction over 6,027,388 Shares and securities convertible into Shares, representing 12.8% of the Shares on a partially diluted basis and (iii) Jack Shevel, a director of the Company and Chairman Emeritus, who owns or exercises control or direction over 5,285,487 Shares and securities convertible into Shares, representing 11.0% of the Shares on a partially diluted basis.

**13. Who counts the votes?**

The Transfer Agent counts and tabulates the proxies. This is done independently of the Company to preserve the confidentiality of individual shareholder votes. Proxies are referred to the Company only in cases where a shareholder clearly intends to communicate with management or when it is necessary to do so to meet the requirements of applicable law.

**14. If I need to contact the Transfer Agent, how do I do so?**

For general shareholder inquiries, you can contact the Transfer Agent at:

TSX Trust Company  
100 Adelaide Street West, Suite 301  
Toronto, Ontario M5H 4H1

Phone: 416-342-1091  
Fax: 416-595-9593

**15. If Shares are not registered in my name but are held in the name of a nominee (a bank, trust corporation, securities broker, trustee or other financial institution), how do I vote my Shares?**

There are two ways you can vote Shares held by your nominee. As required by Canadian securities legislation, you will have received from your nominee either a request for voting instructions or a form of proxy for the number of Shares you hold. For your Shares to be voted for you, please follow the voting instructions provided by your nominee.

Since the Company does not have unrestricted access to the names of its non-registered shareholders, if you attend the Meeting, the Company may have no record of your shareholdings or of your entitlement to vote unless your nominee has appointed you as proxyholder. Therefore, if you wish to vote in person at the Meeting, insert your own name in the space provided on the request for voting instructions or form of proxy and return same by following the instructions provided therein. Do not otherwise complete the form as your vote will be taken at the Meeting. Please register with the Transfer Agent upon your arrival at the Meeting.

**16. Will the Company use notice-and-access to send me Meeting-related materials?**

The Company uses the notice and access delivery (“**Notice and Access**”) that allows it to provide proxy materials over the internet to shareholders instead of mailing paper copies. Under Notice and Access, the Company can deliver proxy-related materials by (i) posting the Circular (and other proxy-related materials) on a website other than the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and (ii) sending a notice informing Shareholders that the Circular (and other proxy-related materials have been posted and explaining how to access them (the “**Notification**”). On or about May 6, 2022, the Company will arrange to send to beneficial shareholders (as defined below) a notice package containing the Notification and the relevant voting document (a form of proxy or voting instruction form, as applicable (each, a “**Form of Proxy**”). Registered shareholders will receive a notice package containing the Notification and a Form of Proxy. In each case, the Notification will contain basic information about the Meeting and the matters to be voted on, explain the Notice and Access process, and explain how to obtain a paper copy of the Information Circular.

A paper copy of this Circular will be sent to you within three (3) business days of the Company receiving your request, if the request is received prior to the date of the Meeting. Therefore, in order to receive a paper

copy of the Information Circular prior to the proxy deposit date, you should make your request before 10:00 a.m. (Toronto time) on May 27, 2022.

## **PART II – BUSINESS OF THE MEETING**

### **1. Consolidated Financial Statements**

The Company’s annual financial statements for the year ended December 31, 2021, together with the auditors’ report thereon and the related management’s discussion and analysis (“**MD&A**”), will be presented to shareholders at the Meeting for consideration. The financial statements have been prepared in accordance with International Financial Reporting Standards as established in Part I of the Chartered Professional Accountants of Canada Handbook.

No vote will be taken on the financial statements.

### **2. Election of the Directors**

The board of directors (the “**Board**”) currently consists of nine individuals, being Christiane Bergevin, Kevin Dalton, Ralph Desando, Matt Hills, Keith McIntosh, Bruce Moody, David Murphy, Maria Perrella and Jack Shevel. All of the current directors, other than Ms. Bergevin, will be standing for re-election at the Meeting.

Following the Meeting, if each of the nominees is successfully elected, it is expected that the Board will be comprised of eight individuals, three of whom the Board has determined are independent under applicable securities laws (Kevin Dalton, Matt Hills and Maria Perrella).

Each person elected as a director of the Company will hold office until the next annual meeting of shareholders or until a successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with the Company’s by-laws.

The Company’s by-laws provide that shareholders seeking to nominate candidates for election as directors must provide timely notice in writing (the “**Advance Notice Provisions**”). To be timely, a shareholder’s notice must be received by the Corporation: (i) in the case of an annual meeting of holders of Shares, not less than 30 days prior to the date of the annual meeting of holders of Shares; provided, however, that in the event that the annual meeting of holders of Shares is to be held on a date that is less than 50 days after the date on which the first public announcement (the “**Notice Date**”) of the date of the annual meeting was made, notice by a holder of Shares may not be given later than the close of business on the 10th day following the Notice Date; and (ii) in the case of a special meeting (which is not also an annual meeting) of holders of Shares called for the purpose of electing directors, not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting of holders of Shares was made.

The Company did not receive notice of a nomination in compliance with the Advance Notice Provisions and, as such, any nominations other than nominations of the nominees listed below will be disregarded at the Meeting.

The following table provides background information on each nominee proposed for election to the Board.

<b>Name and Place of Residence</b>	<b>Position with the Company</b>	<b>Director Since</b>	<b>Present and Prior Principal Occupations, Business or Employment</b>	<b>Number of Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly<sup>(1)</sup></b>
Kevin Dalton <sup>(2)</sup> Ontario, Canada	Independent Chairman	March 30, 2017	<ul style="list-style-type: none"> <li>• Chairman of the Board since June 2018.</li> <li>• Corporate Director.</li> <li>• Over 18 years of investment banking experience.</li> </ul>	24,912

<b>Name and Place of Residence</b>	<b>Position with the Company</b>	<b>Director Since</b>	<b>Present and Prior Principal Occupations, Business or Employment</b>	<b>Number of Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly<sup>(1)</sup></b>
Ralph Desando <sup>(3)</sup> Ontario, Canada	Director	November 26, 2019	<ul style="list-style-type: none"> <li>• Managing Director of Private Investments at Yorkville Asset Management.</li> </ul>	19,267
Matt Hills <sup>(4)</sup> Massachusetts, USA	Independent Director	July 2, 2019	<ul style="list-style-type: none"> <li>• Managing Director of LLM Capital Partners from 2007-2020.</li> <li>• Senior Partner and Co-Founder of BG Affiliates from 1993 to 2005.</li> </ul>	26,728
Keith McIntosh Ontario, Canada	Director	June 4, 2021	<ul style="list-style-type: none"> <li>• Independent consultant since 2020.</li> <li>• Managing Director of Southbridge Care Homes from 2014 to 2020.</li> <li>• President and CEO of Southbridge Care Homes from 2014 to 2018.</li> </ul>	20,001
Bruce Moody <sup>(5)</sup> Ontario, Canada	Director	May 7, 2020	<ul style="list-style-type: none"> <li>• Founder and CEO of Moody Holdings Inc. since 2005.</li> <li>• Founder and CEO of Remedy Holdings Inc. from 2011 to 2020.</li> <li>• Founder and CEO of Remedy Drug Store Company Inc. from 2006 to 2015.</li> <li>• Senior Vice President Operations, PharmaPlus Drugmarts Ltd. from 2002 to 2006.</li> <li>• President of Drug Trading Ltd. from 2001 to 2006.</li> <li>• Chief Operating Officer of Pharmasave Drugs National Ltd. from 1996-2001.</li> </ul>	6,012,779
David Murphy Ontario, Canada	Director, President and Chief Executive Officer	May 9, 2018	<ul style="list-style-type: none"> <li>• President and Chief Executive Officer of the Company since May 2018.</li> <li>• President of Cardinal Health, Canada from 2016 to 2018.</li> <li>• President of Stryker Corporation, Canada from 2008 to 2016.</li> </ul>	267,855
Maria Perrella <sup>(6)</sup> Ontario, Canada	Director	April 1, 2022	<ul style="list-style-type: none"> <li>• Chief Financial Officer of MDA Ltd. from July 2020 to December 2020.</li> <li>• Chief Financial Officer, ATS Automation Systems Inc. from 2008 to 2020.</li> </ul>	Nil
Dr. Jack Shevel <sup>(7)</sup> California, USA	Director and Chairman Emeritus	June 25, 2009	<ul style="list-style-type: none"> <li>• Interim Chief Executive Officer of the Company from February 2018 to April 2018.</li> <li>• Founder and former CEO of Netcare Limited, a leading healthcare company in South Africa and the United Kingdom.</li> </ul>	4,004,896

Notes:

- (1) The information as to voting securities beneficially owned, or controlled or directed, directly or indirectly, not being within the knowledge of the Company, has been furnished by the respective nominees individually.
- (2) Mr. Dalton is currently a member of the Audit Committee and the Compensation, Governance and Nominating Committee (the “CGN Committee”).
- (3) Mr. Desando is currently a member of the CGN Committee.
- (4) Mr. Hills is currently Chair of the CGN Committee and a member of the Audit Committee.
- (5) Mr. Moody is currently a member of the CGN Committee.
- (6) Ms. Perrella is currently Chair of the Audit Committee.
- (7) Dr. Shevel is currently a member of the CGN Committee.

No proposed director of the Company is, or within the 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 the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days (an “order”) that was issued while that person was acting in that capacity; or (ii) was subject to an order that was issued after the proposed director ceased to act in that capacity which resulted from an event that occurred while that person was acting in that capacity.

No proposed director of the Company is, or within the 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.

No proposed director of the Company has, within the 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 his/her assets.

On March 28, 2013, the Board adopted a majority voting policy (which was amended by the Board on March 7, 2017) providing that if any proposed nominee receives a greater number of votes “withheld” from his or her election than votes “for” such election, then such nominee is expected to offer to resign. The CGN Committee will review any such offer of resignation and make a recommendation to the Board. The Board will determine whether to accept the resignation and will announce its decision within 90 days following the shareholders’ meeting. If the Board rejects the offer, it will disclose the reasons why. If the Board accepts the offer, it may appoint a new director to fill the vacancy. The policy would not, however, apply in circumstances involving contested director elections.

Management has no reason to believe that any of the nominees will be unable to serve as a director but, if a nominee is for any reason unavailable to serve as a director, proxies in favour of management will be voted in favour of the remaining nominees and may be voted for a substitute nominee unless the shareholder has specified in the proxy that his or her Shares are to be withheld from voting in respect of the election of directors.

**With respect to each nominee listed above, unless a shareholder has specified in the enclosed form of proxy that the Shares represented by such proxy are to be withheld from voting in the election of that nominee, the persons named in the enclosed form of proxy intend to vote FOR the election of that nominee. Where no choice is specified by a shareholder in respect of a nominee, the proxy will confer discretionary authority and will be voted FOR the election of that nominee.**

### **3. Re-appointment of Auditors and Authorizing the Directors to Fix Remuneration**

Management of the Company proposes that the re-appointment of PricewaterhouseCoopers LLP, Chartered Professional Accountants, as auditors of the Company be approved and the directors be authorized to fix the remuneration of the auditors. PricewaterhouseCoopers LLP, Chartered Professional Accountants were first appointed as auditors on April 22, 2010.

Unless a shareholder has specified in the enclosed form of proxy that the Shares represented by such proxy are to be withheld from voting in the appointment of auditors, the persons named in the enclosed form of proxy intend to vote FOR the re-appointment of PricewaterhouseCoopers LLP, Chartered Professional Accountants as auditors of the Company and to authorize the directors to fix the remuneration of the auditors. Where no choice is specified by a shareholder, the proxy will confer discretionary authority and will be voted FOR the re-appointment of PricewaterhouseCoopers LLP, Chartered Professional Accountants as auditors of the Company and to authorize the directors to fix the remuneration of the auditors.

### **Other Matters Which May Come Before the Meeting**

As of the date of this Circular, the Board and management know of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if other matters which are not known to management should properly come before the Meeting, the accompanying proxy will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

### **Interest of Certain Persons or Companies in Matters to be Acted Upon**

As of the date of this Circular, the Board and management are not aware of any material interest, direct or indirect, by way of beneficial ownership of Shares or otherwise, of any director or executive officer of the Company at any time since the beginning of the Company's last financial year, of any proposed nominee for election as a director of the Company, or of any associate or affiliate of any such person, in any matter to be acted upon at the Meeting (other than the election of directors).

## **PART III – STATEMENT OF EXECUTIVE COMPENSATION**

### **Compensation Discussion and Analysis**

The purpose of this section of the Circular is to disclose all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company to each Named Executive Officer (“NEO”), in accordance with Form 51 – 102F6 *Statement of Executive Compensation*.

For the purposes of the disclosure, NEO means the Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”) of the Company, regardless of the amount of compensation of such individuals, and each of the Company's three most highly-compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total compensation amounted to more than \$150,000 for such year and individuals who would satisfy such criteria but for the fact that they were neither an executive officer at the end of the most recently completed financial year.

The Company's compensation policies and programs are designed to be competitive with similar companies competing in the healthcare sector and other companies of similar market size and to recognize and reward executive performance consistent with the success of the Company's business. The significant objectives and elements for compensation awarded to, paid to, or payable to NEOs for the year ended December 31, 2021, were to: (i) attract and retain experienced and talented executive officers; (ii) inspire excellence in the performance of executive officers; and (iii) align shareholder and executive officer interests.

The CGN Committee is responsible for establishing and monitoring the Company's long-term plans and programs for attracting, retaining, developing and motivating employees. The CGN Committee reviews recommendations for the appointment of persons to senior executive positions, considers terms of employment and matters of compensation and recommends awards under the LTIP for senior executives and board members.

Specifically, the CGN Committee has been empowered: (i) to evaluate the performance of the President and CEO of the Company and recommend to the Board the compensation level of the President and CEO Executive Officer; (ii) to review the compensation levels of the executive officers of the Company and to report to the Board; (iii) to conduct such surveys and studies as the Committee deems appropriate to determine competitive salary levels; and (iv) to review management's succession planning and to consider any other matters which, in the Committee's judgment, should be taken into account in reaching the recommendation to the Board concerning the compensation levels of the Company's executive officers.

## **Elements of Compensation**

The CGN Committee reviews the Company's executive compensation program, including compensation of the President and CEO, to ensure that the program continues to meet its stated objectives. The CGN Committee believes that this review process provides an effective, ongoing evaluation of the program relative to current industry practice and facilitates appropriate and timely adjustments to the program.

The CGN Committee and management meet throughout the year to discuss progress of performance against the various target measures. At the discretion of the Board, adjustments to performance targets and ranges may be made during the year in the event that unanticipated events dramatically affect performance expectations. Final performance ratings are determined at the discretion of the Board at the end of each fiscal year, based on actual versus target performance for each performance measure.

The elements of the compensation program for the NEOs are: (i) base salary; (ii) short-term, equity and non-equity based incentives in the form of annual cash bonuses, shares and healthcare spending accounts; and (iii) long-term, equity based incentives pursuant to the LTIP Plan.

### ***Base Salary***

The base salary component of compensation reflects the level of responsibility within the Company and is compared to similar positions in comparable companies in the healthcare industry and other companies of similar market size, although no specific benchmark group is used. Salaries are reviewed annually and adjustments are made periodically to maintain salary levels that are consistent with the foregoing. Salary increases are based on several factors including: specific conditions relating to the Company, including the Company's overall performance, the individual's experience and past performance, general market conditions, as well as reference to the competitive market place for management for similar size companies.

### ***Annual Incentive Bonuses***

The CGN Committee establishes performance targets with the objective of rewarding senior management with a short-term incentive award proportionate to the success of the Company in achieving these targets. The non-equity and equity-based incentive plans pay a bonus in cash or shares that is intended to reward each executive for his or her yearly individual contribution and performance of personal objectives in the context of overall annual corporate performance.

To facilitate a direct link between pay and performance, different emphasis is placed on performance in overall corporate and personal measures reflective of their relevance in the individual's role and responsibilities. Target annual incentive bonuses are 40% - 100% of the annual base salary, although the Board may use its discretion to provide for larger bonuses under special circumstances. The objectives and weights are set out from time to time and any payout is ultimately approved by the Board.

The annual bonus is designed to motivate executives annually to achieve stated individual business objectives, to be accountable for their relative contribution to the Company's performance, as well as to attract and retain executives.

At the Board's discretion, the Company may elect to pay all or a portion of the annual incentive bonuses in cash, through share-based awards such as Awards under the LTIP, including Awards with shorter vesting provisions than the default vesting provisions provided for under the LTIP, or a combination of cash and share-based awards.

### ***Long-Term Incentives***

Awards under the LTIP are granted to reward individuals for current performance, expected future performance and to align the long-term interests of the NEOs with those of the Company's shareholders. Awards are generally granted at the commencement of employment and during the first quarter of each fiscal year. The LTIP is administered by the CGN Committee.

The Board, in its discretion and on the recommendation of the CGN Committee, approves grants of Awards to the executive officers. The CEO provides recommendations to the CGN Committee in respect of the other executive officers. Previous grants of Awards are taken into account when considering new grants because the LTIP is subject

to certain limits. The CGN Committee is also responsible for reviewing the LTIP and making recommendations to the Board with respect to any amendments thereto.

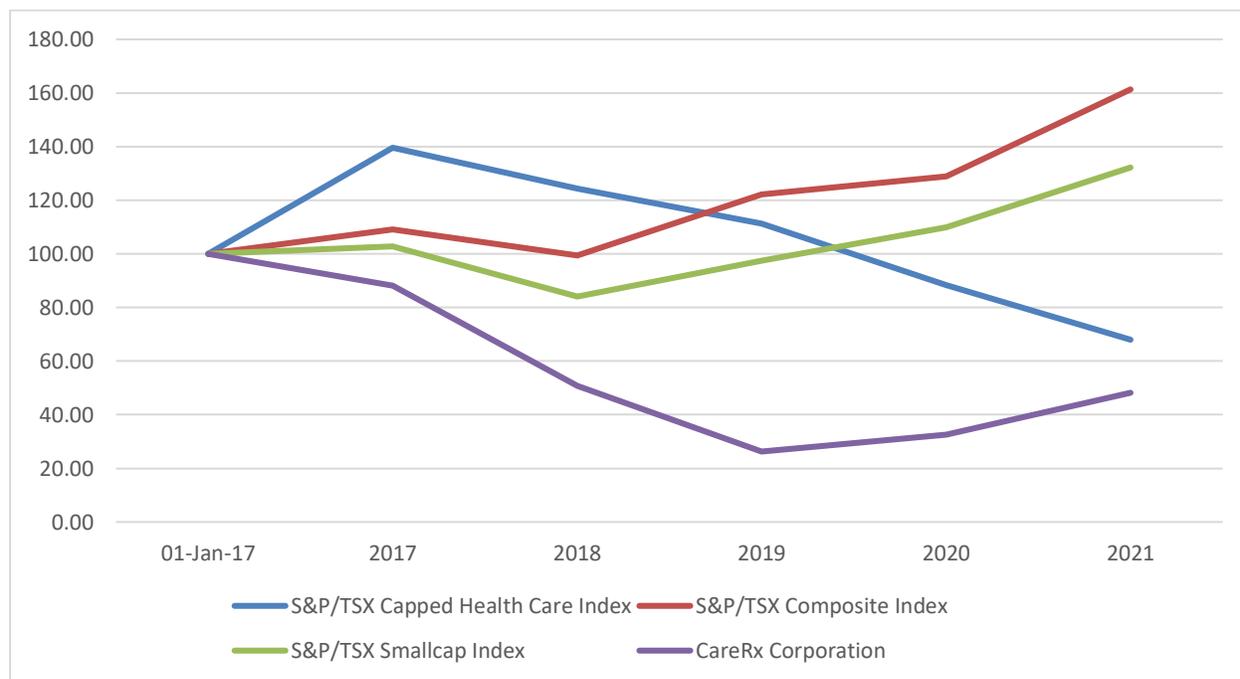
The NEOs and Board members are not formally prohibited from purchasing financial instruments designed to hedge or offset a decrease in the market value of Shares, including Shares granted as compensation or otherwise held directly or indirectly by an NEO or a member of the Board. In the view of the CGN Committee, the structure and nature of executive compensation, including the manner in which Share-based awards are granted, vested and paid-out under the Company’s incentive plan awards, is designed to reduce the need to hedge or offset any potential decrease in the price of Shares and is sufficient to ensure that the interests of the members of the Board and NEOs are adequately aligned with those of the Company generally.

**Chief Executive Officer Salary**

The CGN Committee annually reviews and approves the corporate objectives relevant to the compensation of the President and CEO and evaluates his performance in light of these objectives. The CGN Committee makes recommendations to the Board respecting the approval of the President and CEO’s compensation package and, in particular, considers the performance of the President and CEO, which is a factor in determining changes to his compensation.

**Performance Graph**

The following graph compares the cumulative total shareholder return on the Shares from January 1, 2017 to December 31, 2021, with the cumulative total return of the S&P/TSX Capped Healthcare Index, S&P/TSX Composite Index and S&P/TSX Smallcap Index during the same period, assuming a \$100 initial investment (and the reinvestment of any dividends).



The trend shown in the above performance graph shows a decrease in shareholders’ return over the five-year period. Since January 1, 2017, the total shareholder return decreased by approximately 51.8% to the end of 2021.

**Summary Compensation Table**

The following table contains information about the compensation paid to, or earned by, the Company’s NEOs in each of the three most recently completed financial years:

Name and principal position	Year	Salary (\$)	Share-based awards <sup>(1)</sup> (\$)	Option-based awards (\$)	Non-equity incentive plan compensation		All other compensation (\$) <sup>(4)</sup>	Total compensation (\$)
					Annual incentive plan (\$) <sup>(2)</sup>	Long-term incentive plan (\$) <sup>(3)</sup>		
<b>Mr. David Murphy President and Chief Executive Officer</b>	2021	500,000	653,956	Nil	275,000	275,000	40,000	1,743,956
	2020	500,000	625,000	Nil	Nil	550,000	35,688	1,710,688
	2019	500,000	147,500	Nil	250,000	250,000	38,300	1,185,800
<b>Andrew Mok<sup>(5)</sup> Chief Financial Officer</b>	2021	260,000	204,030	Nil	130,000	Nil	19,400	613,430
	2020	233,451	195,000	Nil	130,295	Nil	20,087	578,833
	2019	218,125	78,625	Nil	170,000	Nil	15,695	482,445
<b>Jeff May<sup>(6)</sup> Chief Operating Officer</b>	2021	285,000	156,947	Nil	74,161	Nil	46,018	562,126
	2020	187,301	145,000	Nil	76,000	Nil	29,346	437,648
	2019	N/A	N/A	Nil	N/A	N/A	N/A	N/A
<b>Puneet Khanna<sup>(7)</sup> Chief Commercial Officer</b>	2021	250,000	130,790	Nil	100,000	Nil	19,400	500,190
	2020	41,667	87,500	Nil	5,960	Nil	2,400	137,527
	2019	N/A	N/A	Nil	N/A	N/A	N/A	N/A
<b>Paul Rakowski Senior Vice President, Corporate Development and General Counsel</b>	2021	232,265	124,476	Nil	118,965	Nil	19,400	495,106
	2020	223,300	113,300	Nil	113,300	Nil	20,087	469,987
	2019	215,000	59,000	Nil	150,000	Nil	22,700	446,700

Notes:

- (1) Fair value assigned to RSUs and DSUs was calculated with reference to the price of the Shares on the Toronto Stock Exchange (the "TSX") at the time of grant.
- (2) Includes one-time annual cash bonuses.
- (3) Includes bonuses paid in the way of RSUs in lieu of cash bonuses.
- (4) Includes car allowances, parking allowances, RRSPs and healthcare spending accounts.
- (5) Mr. Mok commenced his role as Chief Financial Officer on October 16, 2019. Prior to that, he was the Interim Chief Financial Officer (November 2018 to September 2019).
- (6) Mr. May joined the Company as Chief Operating Officer on May 7, 2020.
- (7) Mr. Khanna commenced his role as Chief Commercial Officer on May 1, 2021. Prior to that, he was the Senior Vice President, Corporate Development (from November 2020 to April 2021).

## **Incentive Plan Awards – NEOs**

### ***Outstanding Option-Based and Share-Based Awards***

The following table (presented in accordance with Form 51-102F6) sets forth for each NEO all awards outstanding at the end of the most recently completed financial year ended December 31, 2021, including awards granted before the most recently completed financial year.

Name	Option-based Awards				Share-based Awards <sup>(1)</sup>		
	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 (#)	Market or payout value of share-based awards that have not vested (\$) <sup>(2)</sup>	Market or payout value of vested share-based awards not paid out or distributed (\$) <sup>(3)</sup>
David Murphy	N/A	N/A	N/A	N/A	209,536	1,192,260	Nil
Andrew Mok	N/A	N/A	N/A	N/A	59,817	340,359	61,731
Jeff May	N/A	N/A	N/A	N/A	36,590	208,197	8,444
Puneet Khanna	N/A	N/A	N/A	N/A	24,781	141,004	Nil
Paul Rakowski	N/A	N/A	N/A	N/A	35,933	204,459	84,166

Notes:

- (1) Unless otherwise determined by the Board in its sole discretion at the time of grant or any time following the date that a particular RSU or DSUs is granted, RSUs and DSUs generally vest over three (3) years with one third of such RSUs or DSUs vesting on each anniversary date following the date of grant.
- (2) The value of share based awards, which include RSUs and DSUS that have not vested, have been determined based on the closing price of the Shares on December 31, 2021 of \$5.69.
- (3) The value of share based awards, which include RSUs and RSUS that have vested but not paid out or distributed, have been determined based on the closing price of the Shares on December 31, 2021 of \$5.69.

### ***Value Vested or Earned During the Year***

The following table (presented in accordance with Form 51-102F6) sets forth details of the value vested or earned during the most recently completed financial year ended December 31, 2021 for each incentive plan award.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year <sup>(1)</sup> (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
David Murphy	Nil	815,350	Nil
Andrew Mok	Nil	72,084	Nil
Jeff May	Nil	23,588	Nil
Puneet Khanna	Nil	42,454	Nil
Paul Rakowski	Nil	56,095	Nil

Notes:

- (1) Fair value assigned to the RSUs were calculated by multiplying the number of RSUs by the closing price of the Shares on the vesting date, as reported by the TSX.

### **Employment Agreements with NEOs**

Employment contracts are currently in place for each of the NEOs. The contracts set out the principal terms of the employment relationship with the Company or an affiliate of the Company, as applicable, including the individual's overall role, the expectations of the Company with respect to business practices (including confidentiality, ethical behavior and conflict of interest) and financial terms.

### **Termination and Change of Control Benefits**

The employment agreement with Mr. Murphy is for an indefinite term, subject to the termination provisions of the agreement. The agreement provides for a base salary of \$550,000 per annum for his role as President and Chief Executive Officer of the Company. If Mr. Murphy's employment is terminated without cause he will be entitled to (i) 24 months' annual salary to be paid by way of a salary continuance, (ii) any outstanding unpaid installment of his performance bonus, (iii) continuation of health and dental benefits for the severance period, (iv) any outstanding

earned, but unpaid, installment of his base salary and accrued vacation pay, if any, and (v) continued vesting of equity incentive awards in accordance with their original vesting terms. Mr. Murphy is also subject to an 18-month post-termination non-compete and non-solicit period.

The employment agreement with Mr. Mok is for an indefinite term, subject to the termination provisions of the agreement. The agreement provides for a base salary of \$286,000 per annum for his role as Chief Financial Officer. If Mr. Mok's employment is terminated without cause he will be entitled to (i) 12 months' annual salary to be paid by way of a salary continuance, (ii) any outstanding unpaid installment of his performance bonus, (iii) continuation of health and dental benefits for the severance period and (iv) any outstanding earned, but unpaid, installment of his base salary and accrued vacation pay, if any. Mr. Mok is also subject to a 12-month post-termination non-compete and non-solicit period.

The employment agreement with Mr. May is for an indefinite term, subject to the termination provisions of the agreement. The agreement provides for a base salary of \$285,000 per annum for his role as Chief Operating Officer of the Company. If Mr. May's employment is terminated without cause he will be entitled to (i) 12 months' annual salary, plus one (1) additional month per year of service up to a maximum of 18 months, to be paid by way of a salary continuance, (ii) any outstanding unpaid installment of her performance bonus, (iii) continuation of health and dental benefits for the severance period, (iv) any outstanding earned, but unpaid, installment of her base salary and accrued vacation pay, if any, and (v) continued vesting of equity incentive awards in accordance with their original vesting terms. Ms. Freier is also subject to a post-termination non-compete and non-solicit period that is equal to the severance period.

The employment agreement with Mr. Khanna is for an indefinite term, subject to the termination provisions of the agreement. The agreement provides for a base salary of \$250,000 per annum for his role as Chief Commercial Officer of the Company. If Mr. Khanna's employment is terminated without cause she will be entitled to (i) 12 months' annual salary, to be paid by way of a salary continuance, (ii) any outstanding unpaid installment of his performance bonus, (iii) continuation of health and dental benefits for the severance period, (iv) any outstanding earned, but unpaid, installment of her base salary and accrued vacation pay, if any, and (v) continued vesting of equity incentive awards in accordance with their original vesting terms. Mr. Khanna is also subject to a post-termination non-compete and non-solicit period that is equal to the severance period.

The employment agreement with Mr. Rakowski is for an indefinite term, subject to the termination provisions of the agreement. The agreement provides for a base salary of \$237,930 per annum for his role as Senior Vice President, Corporate Development and General Counsel of the Company. If Mr. Rakowski's employment is terminated without cause he will be entitled to (i) five (5) months' annual salary, plus one (1) additional month per year of service (pro rated for partial years) by way of a lump sum payment (which shall increase to 12 months upon a termination without cause within one year of a change of control of the Company), (ii) any outstanding unpaid installment of his performance bonus, (iii) continuation of health and dental benefits for the statutory notice period, (iv) any outstanding earned, but unpaid, installment of his base salary and accrued vacation pay, if any and (v) immediate vesting of his equity incentive awards. Mr. Rakowski is also subject to a six (6) month post-termination non-compete and 12 month non-solicit period.

### **Compensation of Directors**

The following table sets forth information concerning the annual and long-term compensation in respect of the directors of the Company, other than the NEOs, during the financial year ended December 31, 2021.

Name	Fees earned (\$) <sup>(1)</sup>	Share-based awards <sup>(2)(3)</sup> (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Christiane Bergevin	63,100	45,000	Nil	Nil	Nil	Nil	108,100
Peter Brown <sup>(4)</sup>	25,950	Nil	Nil	Nil	Nil	Nil	25,950
Kevin Dalton	110,300	95,000	Nil	Nil	Nil	Nil	205,300
Ralph Desando	48,650	45,000	Nil	Nil	Nil	Nil	93,650
Matt Hills	60,800	45,000	Nil	Nil	Nil	Nil	105,800
Keith McIntosh <sup>(5)</sup>	29,000	45,000	Nil	Nil	Nil	Nil	74,000
Bruce Moody	49,400	45,000	Nil	Nil	Nil	Nil	94,400
Lyle Oberg <sup>(4)</sup>	25,950	45,000	Nil	Nil	Nil	Nil	25,950
Jack Shevel	77,525	67,500	Nil	Nil	Nil	Nil	145,025

Notes:

- (1) Includes the value of cash fees earned by directors prior to any elections to receive such fees in RSUs or DSUs under the Election Policy.
- (2) Fair value assigned to the RSUs or DSUs were calculated by multiplying the number of RSUs by the Share price on the TSX at closing on the grant date.
- (3) Excludes RSUs and DSUs which certain directors elected to receive in lieu of cash fees under the Election Policy.
- (4) Retired from the Board on June 4, 2021.
- (5) Joined the Board on June 4, 2021.

The CGN Committee reviews director compensation policies on an annual basis in light of market conditions, industry practices and risks, and the responsibilities involved in being an effective director.

In 2020, the CGN Committee retained the services of Mercer (Canada) Limited (“**Mercer**”) to conduct a market review of the core compensation elements for the Board and incentive compensation for executives (the “**Mercer Review**”). The Mercer Review analyzed compensation data from recent management information circulars of a selected peer group, supplemented by Mercer’s proprietary industry data. Mercer and the Company developed a comparator group of 36 Canadian publicly-traded companies comparable to CareRx in terms of revenues from a cross-section of relevant industries.

After weighing the results of the Mercer Review, the CGN Committee, and ultimately the Board, revised the Board fee structure to align the Company’s director compensation practices with approximately the 50% percentile of the peer group that was used as a reference point. Following the review, the annual retainer for Board members (excluding Kevin Dalton who receives a retainer as Chairman and Dr. Shevel who receives a retainer as Chairman Emeritus) and Mr. Murphy (who receives no retainer) was set \$90,000, which includes a flat fee for all meeting fees in place of the variable meeting fee structure the Company previously used. Mr. Dalton receives an annual retainer of \$190,000 as Chairman of the Board payable on a quarterly basis. Dr. Shevel receives an annual retainer of \$135,000 as Chairman Emeritus of the Board payable on a quarterly basis. 50% of the annual retainer is issued in the form of Awards under the LTIP, with the remainder payable in cash, subject to each director’s option to receive such remaining portion of the retainer in the form of RSUs and/or DSUs under the Election Policy, as described below.

The annual retainer of the Chair of the Audit Committee is \$20,000 and the annual retainer of the Chair of the CGN Committee is \$10,000. Members of the Audit Committee and CGN Committee receive annual fees of \$7,000 and \$5,000, respectively.

In 2019, the Board adopted a policy (the “**Election Policy**”) that permits directors of the Company, other than the Chief Executive Officer, to irrevocably elect to take all or a portion of the cash portion of their retainer fees in the

form of RSUs and/or DSUs. The Election Policy was most recently amended in May 2021. The purpose of the Election Policy is to help better align the interests of the directors of the Company with those of shareholders and preserve cash. Any election under the Election Policy (an “**Election**”) must be delivered by a director to the Company by the end of the calendar quarter preceding the calendar quarter to which such Election is to apply. The number of RSUs or DSUs that a director is entitled to receive in lieu of such cash retainer and/or fees is calculated with reference to the volume weighted average price of the Shares on the TSX as of the last day of the calendar quarter in which the Election was made.

Directors are reimbursed for reasonable travel and other out-of-pocket expenses incurred in connection with the attendance at meetings of the Board.

## **Incentive Plan Awards – Directors**

### ***Outstanding Share-Based and Option-Based Awards***

The following table sets forth information concerning outstanding option-based awards and share-based awards, held by directors, other than directors who are NEOs, as at December 31, 2021, whether granted during the current financial year or prior thereto.

<b>Name</b>	<b>Option-based Awards</b>				<b>Share-based Awards<sup>(1)</sup></b>		
	<b>Number of securities underlying unexercised options (#)</b>	<b>Option exercise price (\$)</b>	<b>Option expiration date</b>	<b>Value of unexercised in-the-money options (\$)</b>	<b>Number of shares or units of shares that have not vested (#)</b>	<b>Market or payout value of share-based awards that have not vested<sup>(2)</sup> (\$)</b>	<b>Market or payout value of vested share-based awards not paid out or distributed (\$)</b>
<b>Christiane Bergevin</b>	Nil	Nil	Nil	Nil	12,141	69,082	34,652
<b>Kevin Dalton</b>	Nil	Nil	Nil	Nil	21,030	119,661	287,226
<b>Ralph Desando</b>	Nil	Nil	Nil	Nil	12,141	69,082	48,251
<b>Matt Hills</b>	Nil	Nil	Nil	Nil	13,807	78,562	18,976
<b>Keith McIntosh</b>	Nil	Nil	Nil	Nil	7,475	42,533	11,778
<b>Bruce Moody</b>	Nil	Nil	Nil	Nil	12,141	69,082	14,179
<b>Jack Shevel</b>	Nil	Nil	Nil	Nil	16,462	93,669	66,277

Notes:

- (1) Unless otherwise determined by the Board in its sole discretion at the time of grant or any time following the date that a particular RSU or DSU is granted, RSUs and DSUs will vest equally over three (3) years with one third of such RSUs or DSUs vesting on each anniversary date following the date of grant.
- (2) The value of share-based awards, which include RSUs and DSUs, that have not vested have been determined based on the closing price of the Shares on December 31, 2020 of \$5.69.

### ***Value Vested or Earned During the Year***

The following table sets out, for each director, other than a director who is also an NEO, the value of share-based awards and option-based awards that vested and other non-equity incentives received by such individuals, in each case during the year ended December 31, 2021.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year <sup>(1)(2)</sup> (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Christiane Bergevin	Nil	13,887	Nil
Peter Brown	Nil	13,887	Nil
Kevin Dalton	Nil	22,575	Nil
Ralph Desando	Nil	15,498	Nil
Matt Hills	Nil	26,767	Nil
Keith McIntosh	Nil	Nil	Nil
Bruce Moody	Nil	15,498	Nil
Lyle Oberg	Nil	15,498	Nil
Dr. Jack Shevel	Nil	55,065	Nil

- (1) Fair value assigned to the RSUs or DSUs that vested during the year were calculated by multiplying the number of RSUs or DSUs by the closing price of the Shares on the day of vesting, as reported by the TSX.
- (2) Excludes the value of any RSUs or DSUs pursuant to any elections under the Election Policy.

## SHARE OWNERSHIP POLICY

The Board believes that share ownership by members of the Board is a key element of strong corporate governance. The Board also believes that long-term equity ownership further aligns the interest of Directors with those of shareholders and enables them to share in the long-term growth and success of the Company. In November 2015, the Board approved a share ownership policy (the “**Share Ownership Policy**”) to require Directors to hold common shares or other Awards with a market value at least equal to the value of the director’s annual retainer fee (excluding any Board or committee chair fees). This minimum ownership requirement must be attained within three years of the date an individual is appointed or elected as a director, and must be maintained after attainment throughout an individual’s tenure as a director. Once a director has achieved the minimum ownership, if his or her ownership falls below the minimum market value for any reason other than such director’s sale of Shares, including, but not limited to, when a decrease in the price of the Shares occurs, the director has two years to again become compliant with the Share Ownership Policy. The Share Ownership Policy was recently reviewed and confirmed in November 2021.

The compliance of each director with the Share Ownership Policy as of December 31, 2021 is set forth below:

Director	% of Target <sup>(1)</sup>
Christiane Bergevin	N/A <sup>(2)</sup>
Kevin Dalton	>100%
Ralph Desando	>100%
Matt Hills	>100%
Keith McIntosh	>100%
Bruce Moody	>100%
David Murphy	N/A <sup>(4)</sup>
Dr. Jack Shevel	>100%

- (1) Each director has three years after their appointment to obtain 100% of target required under the Share Ownership Policy. The target is based on the \$90,000 annual Board retainer.
- (2) Ms. Bergevin is not standing for re-election at the Meeting and therefore the Share Ownership Policy no longer applies.
- (3) Mr. Murphy does not receive an annual retainer and, as such, is not required to own Shares under the Share Ownership Policy.

## Securities Authorized for Issuance under Equity Compensation Plans

The following table (presented in accordance with Form 51-102F5) sets forth all compensation plans under which equity securities of the Company are authorized for issuance as of the end of the most recently completed financial year.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options and other rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans</b>
Equity compensation plans approved by security holders			
Options	Nil	Nil	
RSUs	883,727	N/A <sup>(1)</sup>	
DSUs	126,521	N/A <sup>(1)</sup>	
Sub Total	1,010,248	N/A <sup>(1)</sup>	3,621,521
Equity compensation plans not approved by security holders	N/A	N/A	N/A
<b>Total</b>	1,010,248	N/A	3,621,521

<sup>(1)</sup> RSUs and DSUs are not subject to an exercise price.

### **LTIP Plan**

As part of the ongoing review of the Company's compensation strategy, on April 25, 2021, the Board approved the adoption of a new Omnibus Long-Term Incentive Plan (the "**LTIP**").

The Company's annual burn rate under the LTIP, as described in Section 613(p) of the TSX Manual, was 1.79% for the year ended December 31, 2021, 2.87% for the year ended December 31, 2020 and 2.46% for the year ended December 31, 2019. The burn rate is subject to change from time to time, based on the number of Awards (as defined below) and the total number of Shares issued and outstanding. For the purposes of the foregoing, "burn rate" is calculated by dividing the number of Awards granted during the applicable fiscal year by the weighted average number of issued and outstanding Shares for that year.

The LTIP allows for a variety of equity-based awards that provide different types of incentives to be granted to certain of the Company's executive officers, employees and consultants, including stock options ("**Options**"), deferred share units ("**DSUs**"), restricted share units ("**RSUs**"), performance share units ("**PSUs**") and restricted shares ("**Restricted Shares**") (collectively, "**Awards**"). Each Award represents the right to receive Shares, or in the case of DSUs, RSU and PSUs, Shares or cash, in accordance with the terms of the LTIP. The following discussion is qualified in its entirety by the text of the LTIP.

Under the terms of the LTIP, the Board, or if authorized by the Board, the CGN Committee, may grant Awards to eligible participants, as applicable. Participation in the LTIP is voluntary and, if an eligible participant agrees to participate, the grant of Awards will be evidenced by a grant agreement with each such participant. The interest of any participant in any Award is not assignable or transferable.

The LTIP contains provisions for certain adjustments to Awards in the event of a stock dividend or split, recapitalization, consolidation, combination or exchange of shares or other fundamental or similar corporate change.

The maximum number of Shares reserved for issuance, in the aggregate, under the LTIP and any other securities-based compensation arrangements will be 10% of the aggregate number of Shares issued and outstanding from time to time, which represents 4,689,434 Shares as of the date of this Circular. As of the date of this Circular, a total of 280,000 Options, 1,197,758 RSUs and 119,021 DSUs are issued and outstanding under the LTIP, representing approximately 3.4% of the issued and outstanding Shares. For the purposes of calculating the maximum number of Shares reserved for issuance under the LTIP, any issuance from treasury by the Company that is issued in reliance upon an exemption under applicable stock exchange rules applicable to equity based compensation arrangements used as an inducement to person(s) not previously employed by and not previously an insider of the Company shall not be included. All of the Shares covered by the exercised, cancelled or terminated Awards will automatically become available Shares for the purposes of Awards that may be subsequently granted under the LTIP. As a result, the LTIP is considered an “evergreen” plan.

The maximum number of Shares that may be: (i) issued to insiders of the Company within any one-year period; or (ii) issuable to insiders of the Company at any time, in each case, under the LTIP alone, or when combined with all of the Company’s other security-based compensation arrangements, cannot exceed 10% of the aggregate number of Shares issued and outstanding from time to time determined on a non-diluted basis. Awards held by non-employee directors of the Company will at all times be limited to no more than 1% of the Shares issued and outstanding from time to time (calculated on a non-diluted basis) and the total annual grant to any one non-employee director under all security-based compensation arrangements cannot exceed a grant value of \$100,000 of Options and \$150,000 in total equity.

An Option shall be exercisable during a period established by our Board which shall commence on the date of the grant and shall terminate no later than ten years after the date of the granting of the Option or such shorter period as the Board may determine. The exercise price of an Option will be determined based on the volume weighted average price of the Shares on the TSX on the five trading days before the date such Option is granted. The LTIP provides that the exercise period in respect of Options shall automatically be extended if the date on which an Option is scheduled to terminate shall fall during a black-out period. In such cases, the extended exercise period shall terminate 10 business days after the last day of the black-out period. In order to facilitate the payment of the exercise price of the Options, the LTIP has a feature pursuant to which a participant may elect to undertake a broker assisted “cashless exercise” subject to the procedures set out in the LTIP, including the consent of the Board, where required. The LTIP also allows a participant to surrender Options in lieu of tendering the cash exercise price.

The terms and conditions of grants of RSUs, PSUs and DSUs, including the quantity, type of award, grant date, vesting conditions, vesting periods, settlement date and other terms and conditions with respect to these Awards, is set out in the participant’s grant agreement. RSUs, PSUs and DSUs may be settled, at the option of the Company, for (i) treasury Shares, (ii) a cash equivalent based on the market price of the Shares at the time of settlement, or (iii) a combination of treasury Shares and cash. The Company is also permitted to grant restricted Shares under the LTIP, with restrictions on transfer of up to three years as determined by the Board.

Awards are subject to the following treatment upon a termination of employment of a Participant:

Reason for Termination	Treatment
Termination for cause	All Awards, whether vested or unvested, terminate upon cessation of employment.
Termination without cause, retirement and resignation	All unvested Awards terminate upon cessation of employment. Vested Options must be exercised by the earlier of (i) 30 days after termination and (ii) the remaining term of the Options. Vested RSUs, PSU or other Awards will be settled by the Company as soon as practicable.
Death or disability	Any unvested Awards (other than Options) will vest on a proportionate basis based on the number of Awards available to vest in the vesting period based on the pro rated time elapsed between previous vesting date (or grant date) to the next vesting date. Any unvested Options will automatically vest and the expiry date of the Options will be up to one year following the termination date. Any vested RSUs, PSUs or other Awards will be settled by the Company as soon as practicable.

In connection with a change of control of the Company, where the Board is not satisfied that the person acquiring control intends to assume and honour the outstanding Awards or to substitute Awards for alternate awards with underlying securities that are listed on a stock exchange and provide participants with the same or better rights and entitlements, the Board may terminate the LTIP and accelerate vesting of Awards and all Awards (and in the case of PSUs and other Awards with performance criteria the number to vest to be determined by the Board in its discretion) are deemed to have vested and have an exercise date or settlement date, as applicable, immediately before the termination of the Plan. The Board also has power to modify the terms of the LTIP and/or the Awards to assist the participants in conditionally tendering to a take-over bid or other transaction leading to a change of control.

The Board may, in its sole discretion, suspend or terminate the LTIP at any time, or from time to time, amend, revise or discontinue the terms and conditions of the LTIP or of any securities granted under the LTIP and any grant agreement relating thereto, subject to any required regulatory and TSX approval, provided that such suspension, termination, amendment, or revision will not adversely alter or impair any Award previously granted except as permitted by the terms of the LTIP or as required by applicable laws.

The Board may amend the LTIP or Awards at any time without the consent of a participant provided that such amendment shall: (i) not adversely alter or impair any Award previously granted except as permitted by the terms of the LTIP; (ii) be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the TSX; and (iii) be subject to shareholder approval, where required by law, the requirements of the TSX or the LTIP, provided however that shareholder approval shall not be required for the following amendments and our Board may make any changes which may include but are not limited to:

- a change to the provisions governing the effect of termination of a participant's employment, contract or office;
- amendments to, or waivers of, the vesting provisions or other conditions of the LTIP or any Award;
- amendments to the termination or early termination provisions of any Award (including any Award held by an insider) that does not entail an extension beyond the original expiry date of that Award;
- an amendment of the LTIP or an Award as necessary to comply with applicable law or the requirements of any stock exchange or any other regulatory authority, the LTIP, the participants or the shareholders of the Company;
- any amendment of a "housekeeping" nature;
- any amendment regarding the administration of the Plan; or
- any other amendment, fundamental or otherwise, not requiring shareholder approval under the LTIP, applicable laws or the applicable rules of the TSX.

Shareholder approval is required for the following amendments to the LTIP:

- increase the maximum number of Shares issuable under the LTIP, other than an adjustment pursuant to a change in capitalization;
- reduce the exercise price of Awards benefitting an insider of the Company, except in the case of an adjustment pursuant to a change in capitalization;
- extend expiration date of an Award benefitting an insider of the Company, except in the case of an extension due to black-out period;
- remove or exceed the insider participation limits or participation limits of non-executive directors;
- amend the non-transferability of Awards; or
- amend the amendment provisions of the LTIP.

In the event of conduct by a participant that causes material financial or reputational harm to the Company, the participant engaged in gross negligence, willful misconduct or fraud in respect of the performance of the participant's duties to or for the Company, or there is a material restatement of the financial statements of the Company, the LTIP provides for a clawback from the participant of any amounts paid to the participant and/or the cancellation of vested/unvested Awards.

## **Management Contracts**

The management functions of the Company and its subsidiaries are performed by directors, executive officers or senior officers of the Company and its subsidiaries, as applicable, and not, to any substantial degree, by any other person.

## **Indebtedness of Directors and Officers**

During the most recently completed financial year and as at the date hereof, no director, proposed nominee for election as a director, executive officer, employee or associate of any such persons has been or is indebted to the Company, nor has the Company guaranteed any loans on behalf of any of these persons.

## **Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs**

During the most recently completed financial year and as at the date hereof, no director, proposed nominee for election as a director, executive officer, employee or associate of any such persons has been or is indebted to the Company under any securities purchase or other programs.

## **Interest of Informed Persons in Material Transactions**

Except as disclosed below, no “informed person” (within the meaning of National Instrument 51-102) or proposed nominee for election as a director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or will materially affect the Company or any of its subsidiaries.

On March 31, 2020, the Company entered into a credit agreement with Yorkville under which Yorkville advanced a subordinated facility to the Company of up to \$12.7 million (the “**Yorkville Facility**”) in two tranches: (i) an initial tranche of \$6.3 million, which was advanced on March 31, 2020, and (ii) a second tranche of \$6.4 million, which was advanced on May 7, 2020 contemporaneously with the closing of the acquisition of Remedy’s Holdings Inc. (the “**Remedy’s Acquisition**”). On May 19, 2021, the Company amended the credit agreement with Yorkville to increase the principal amount outstanding under the Yorkville Facility by an additional \$6.0 million, extend the maturity date to August 23, 2026 and reduce the interest rate from 12% to 10.5% per annum.

On February 3, 2021, the Company closed a bought deal public offering pursuant to which it issued 3,517,850 Shares to a syndicate of underwriters for a price of \$4.25 per share (the “**Bought Deal**”). In addition, the Company issued 1,469,411 Shares to Yorkville and Jack Shevel at the same price as the Bought Deal, less a 4% capital commitment fee, pursuant to certain pre-emptive rights held by those shareholders (the “**Concurrent Private Placement**”). The Concurrent Private Placement was priced consistent with the Bought Deal and based on arm’s length negotiations between the Company and the underwriters of the Bought Deal, and was unanimously approved by the non-conflicted directors of the Company.

On May 19, 2021, the Company closed a bought deal brokered private placement (the “**May 2021 Brokered Private Placement**”) and concurrent non-brokered private placement (the “**May 2021 Non-Brokered Private Placement**”, and together with the May 2021 Brokered Private Placement, the “**May 2021 Equity Financings**”) of subscription receipts of the Company (“**Subscription Receipts**”) for aggregate gross proceeds of \$63.25 million. The Company issued 10,247,650 Subscription Receipts pursuant to the May 2021 Brokered Bought Deal at a price of \$5.05 per Subscription Receipt for gross proceeds of approximately \$51.75 million. In addition, the Company issued an aggregate of 2,277,230 Subscription Receipts to Yorkville pursuant to the May 2021 Non-Brokered Private Placement at a price of \$5.05 per Subscription Receipt for gross proceeds of approximately \$11.5 million. In connection with the May 2021 Non-Brokered Private Placement, Yorkville received a 4% capital commitment fee. The net proceeds from the May 2021 Equity Financings, which were used to fund a portion of the cash purchase price for the Company’s acquisition of the long-term care pharmacy division of Medical Pharmacies Group Limited, were placed in escrow and subsequently released upon closing of such acquisition, at which point each Subscription Receipt was exchanged for one Share.

## **PART IV – CORPORATE GOVERNANCE DISCLOSURE**

The Board views corporate governance as an effective mechanism to improve the function and operations of the Company for the benefit of the shareholders. Set out below is a description of the Company’s approach to corporate governance, in compliance with the requirements prescribed by National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”).

### **Board of Directors**

#### **Independent Directors**

The Board is responsible for the overall stewardship of the business and affairs of the Company, including overseeing the Company’s financial and strategic planning and direction, as well as management’s implementation of the Company’s plans. The Board discharges its responsibilities directly and through committees. In fulfilling its responsibilities, the Board delegates day-to-day authority to management of the Company, while reserving the ability to review management decisions and exercise final judgment on any matter. The Board reviews and approves on an annual basis the corporate objectives developed and adopted by the President and CEO and the senior management team.

As of the date hereof, the Board is currently comprised of nine directors: Kevin Dalton (Chairman of the Board), Jack Shevel (Chairman Emeritus of the Board), Christiane Bergevin, Ralph Desando, Matt Hills, Keith McIntosh, Bruce Moody, David Murphy, and Maria Perrella. Four of the directors (Ms. Bergevin, Mr. Dalton, Mr. Hills and Ms. Perrella) are independent directors within the meaning of “independence” under NI 58-101. Under NI 58-101, a director is independent if he/she does not have a direct or indirect relationship with the Company, which could, in the view of the Board, be reasonably expected to interfere with the exercise of his/her independent judgment. In determining whether a director is independent, the Board also considers whether the director has a relationship, which could, or could be perceived to, interfere with the director’s ability to objectively assess the performance of management. All of the current Board members served on the Board in 2021, with the exception of Ms. Perrella, who was appointed to the Board on April 1, 2022.

The CGN Committee has determined that David Murphy does not meet the definition of “independence” under NI 58-101 as he is the President and Chief Executive Officer of the Company.

The CGN Committee has determined that each of Ralph Desando and Keith McIntosh do not meet the definition of “independence” under NI 58-101 as they have been nominated to the Board pursuant to contractual Board appointment rights held by Yorkville. Yorkville is also a “control person” of the Company as defined under applicable securities laws, and holds \$20 million of debt pursuant to the Yorkville Facilities and \$15 million of convertible debentures. As a result, Mr. Desando and Mr. McIntosh, as Yorkville’s Board nominees, may have a “material relationship” with the Company as defined in *National Instrument 52-110 – Audit Committees* (“**NI 52-110**”).

The CGN Committee has determined that Bruce Moody does not meet the definition of “independence” under NI 58-101 as he has been nominated to the Board pursuant to contractual Board appointment rights held by certain of his holding companies. Bruce Moody also has certain demand and piggyback registration rights pursuant to a Governance and Investor Rights Agreement that was entered into with the Company in connection with the Remedy’s Acquisition. As a result, Mr. Moody may have a “material relationship” with the Company as defined in NI 52-110.

The CGN Committee has determined that Jack Shevel does not meet the definition of “independence” under NI 58-101. Dr. Shevel has been nominated to the Board pursuant to a contractual Board appointment right and exercises control or direction over \$3.75 million of Convertible Debentures. As a result, Dr. Shevel may have a “material relationship” with the Company as defined in NI 52-110.

The Board continues to consider additional independent directors for nomination and appointment and the independence of its current Board members and other activities that foster discussion among the independent directors. The Company has always endeavored to ensure that individuals elected to the Board act with integrity in exercising their judgment in the best interests of the Company and its stakeholders and the Company believes that the judgement of members of the Board has been so exercised.

Although a majority of the Board is not independent, as described below, the Board takes steps to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director of the Company has a material interest. As part of its mandate, the Board, with input from the CGN Committee, reviews on an annual basis the functioning of the Board and its committees and considers whether the composition of the Board and its committees promotes effectiveness and efficiency in its decision-making.

Mr. Dalton, the Chairman of the Board, is responsible for the management, development and efficient operation of the Board. He is considered “independent” under NI 58-101. Mr. Dalton helps set the agenda for Board meetings, ensures that the Board adequately assumes its mandate and that the Board’s responsibilities and boundaries with management are well understood by Board members. In addition, the Audit Committee is composed entirely of independent directors.

To help ensure that the Board functions independently of management, the independent directors regularly hold meetings at which members of management and other non-independent directors are not present and, as necessary, establishes special purpose committees led by independent directors to consider and assess transactions or activities. In addition, the compensation of the officers of the Company is considered in the absence of management by the CGN Committee of the Board at least once a year.

Given the size and tenure of the current Board, the Company has an informal orientation and education program for Board members. The Board regularly reviews the size and composition of the Board to ensure that it allows for a diversity of experience and knowledge and is the appropriate size and composition to foster and promote effective decision-making and oversight as a Board. As well, the CGN Committee conducts an annual assessment on the effectiveness and performance of the Company’s Board as a whole, the committees of the Board and the contribution and qualification of individual directors. The most recent assessment was completed in March 2021.

New Board members are introduced to the business of the Company through meetings with senior employees and directors and exposure to business operations. In addition, new directors receive relevant historical materials to facilitate their orientation and to assist them in learning about the Company. The Board also receives relevant reports regarding the health care industry in general and the Company’s particular business, strategy and governance (including relating to compensation practices) from management and other advisors on an ongoing basis.

## **Board Charter**

The Board is responsible for overseeing the business activities and affairs of the Company in relation to the execution of its stated objectives. The responsibility of members of the Board is to exercise their business judgment to act in what each director reasonably believes to be in the best interests of the Company, shareholders and other stakeholders. The Board approves the selection of the Company’s executive officers who are responsible for the day-to-day conduct of the Company’s business affairs.

The Board discharges its responsibilities directly or through committees of the Board. The Board regularly receives and considers reports and recommendations from its committees. Any responsibility that is not delegated to senior management or a committee of the Board remains with the Board.

The Board has a formal written charter that was last renewed by the Board in November 2021 and is available on the Company’s website at [www.carerx.ca](http://www.carerx.ca). Pursuant to the charter, the Board provides stewardship of the Company and its affairs, including by overseeing and monitoring the performance of the Company in the context of the long-term interests of its stakeholders. It promotes a culture of integrity and responsibility and, together with management of the Company, develops a process for the timely and accurate public disclosure of material information. Although the Board has delegated the day-to-day management of the business and affairs of the Company to its senior management, it is actively involved in strategic planning and takes responsibility for monitoring the implementation of such plans. In addition, the Board takes responsibility for corporate governance and has financial accountability. The Board also monitors and assesses the integrity of internal controls, management information systems and risk management strategies developed and implemented by management.

In order to carry out its responsibilities, the Board meets on a regular basis consistent with the need to approve the financial results of each fiscal quarter. Additionally, the Board meets from time-to-time to engage in a detailed review of the Company's strategic plans or activities. Other meetings of the Board are held as required.

The Board has responsibility for approving the appointment of the CEO and setting his annual compensation and for reviewing with the CEO all other senior management appointments. The Board also oversees the implementation of succession planning programs, including programs to appoint, train and monitor senior management.

The Board satisfies itself as to effective performance by informal discussion both by the full Board at Board meetings and by the independent directors at meetings of the independent directors.

## **Board Meetings**

The Board holds scheduled meetings at which the members of management are not in attendance, as well as any other time when appropriate and needed.

The attendance record of each director for all Board and committee meetings held during the financial year 2021 is as follows:

<b>Name</b>	<b>Board/Committee Meeting Attendance<sup>(1)</sup></b>
Christiane Bergevin	13 of 15 meetings <sup>(2)</sup>
Peter Brown	5 of 5 meetings
Kevin Dalton	19 of 19 meetings
Ralph Desando	15 of 15 meetings
Matt Hills	19 of 19 meetings
Keith McIntosh	4 of 4 meetings
Bruce Moody	15 of 15 meetings
David Murphy	11 of 11 meetings
Lyle Oberg	7 of 7 meetings
Dr. Jack Shevel	15 of 15 meetings

(1) Excludes ad-hoc meetings of independent directors

(2) Ms. Bergevin attended all regularly scheduled Board and committee meetings for which the notice requirement under the Company's by-laws was not waived by the Board.

The Board and the Company have developed written position descriptions for the Chair of the Board, the Chairs of each Committee of the Board and the CEO that delineate the expectations and responsibilities of each role and which are regularly reviewed by the CGN Committee.

## **Other Directorships**

In addition to serving as a director of the Company, Christiane Bergevin serves as a director of Yamana Gold Inc. (TSX: YRI), Matt Hills serves as a director of K-Bro Linen Inc. (TSX: KBL) and Maria Perrella serves as a director and Audit Chair of Argo Blockchain PLC (LON:ARB, NASDAQ:ARBK). Otherwise, none of the proposed directors are directors of other reporting issuers.

## **Ethical Business Conduct**

One of the functions of the Board is to monitor the conduct of the Company, its management and employees to ensure compliance with applicable legal and regulatory requirements, the integrity of the Company's management, and that a culture of integrity and ethical business conduct is reflected in all of the Company's dealings.

The Board takes steps to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director of the Company has a material interest. Directors and officers are required to notify management of the Company in writing of the existence of any personal or professional relationships which may create a conflict of interest with the Company or with a customer, supplier or other outside party. In addition, directors and officers are required to disclose to the Board any material interest in any proposed transaction or agreement to be

entered into by the Company whether or not subject to Board approval. In cases where Board approval is required, as required by law or at the request of the non-conflicted Board members, any director with a conflict of interest will not attend any part of the Board meeting during which the proposed transaction or agreement is discussed and will not vote on the resolution to approve same. To facilitate the above and to ensure good corporate governance, the Board and, as necessary, the independent Board members, regularly seek and obtain guidance from the Company's General Counsel and its external counsel.

In addition, in accordance with NI 52-110, the Audit Committee Charter requires that the Audit Committee ensure that there are procedures in place for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

The Company has adopted a Code of Business Conduct and Ethics (the "**Code**") for the directors, officers and employees of the Company, which was last reviewed by the Board in November 2021, a copy of which is available on the Company's website at [www.carerx.ca](http://www.carerx.ca). The Board, through the Audit Committee and the CGN Committee, helps ensure that the Code is properly administered. The Audit Committee is responsible for monitoring compliance from a financial point of view and the CGN Committee is responsible for monitoring compliance from a regulatory health care and human resources perspective. The Audit Committee and the CGN Committee are responsible for the annual review of the compliance procedures in place to implement the Code and recommend clarifications or necessary changes to the Code to the Board for approval.

### **Nomination of Directors**

The Company has a CGN Committee that is comprised of five members from the Board, two of whom are independent. The CGN Committee provides recommendations to the Board with respect to nominees for election to the Board. The Board is responsible for the nomination, appointment and assessment of directors.

The CGN Committee considers factors such as independence, integrity, skills, expertise, breadth of experience, knowledge about the Company's business and a willingness to devote adequate time and effort to the Board's responsibilities. As described above, in March 2021, the Board, with oversight by the CGN Committee, completed an assessment of the practices, procedures and composition of the Board and each of its committees, and as an output of these assessments the Company has and continues to consider additional independent directors for nomination and appointment.

The CGN Committee actively seeks individuals qualified to become members of the Board and recommends such individuals for nomination for election to the Board by the shareholders or for appointment by the Board to fill a vacancy.

### ***Director and Executive Diversity***

The Company recognizes the importance and benefit of having a Board comprised of highly talented and experienced individuals who reflect the diversity of the Company's stakeholders, including its customers and employees and the changing demographics of the communities in which the Company operates. In support of this goal, the Board and CGN Committee, as applicable, when identifying candidates to nominate for election to the Board, considers individuals who are highly qualified, based on their talents, experience, functional expertise and personal skills, character and qualities, having regard to the Company's current and future plans and objectives, as well as anticipated regulatory and market developments. Consideration is given to the total size of the Board, as well as in light of certain Board nomination rights held by certain of the Company's significant shareholders. As such, while neither a written policy nor targets relating to the identification and nomination of women directors have been adopted to date and the emphasis in filling Board vacancies has been finding the best qualified candidates given the needs and circumstances of the Board, a nominee's diversity of gender, race, nationality, age, experience and other attributes has and will be considered favorably in the assessment of director nominees.

Following the Meeting, upon the due election of all directors indicated in this Circular, the Board is expected to be comprised of one female director (12.5%) and seven male directors (87.5%). As to gender, the Board and the CGN Committee are receptive to increasing the representation of women on the Board as turnover occurs or appropriate

candidates come forward, taking into account the skills, background, experience and knowledge desired at that particular time by the Board and its Committees.

During the year ended December 31, 2021, one woman (representing 14%) and six men (representing 86%) held executive officer positions. The Company continues to consider the level of representation of women, along with other markers of diversity, when making executive appointments and, in general, with regard to succession planning.

### ***Director Term Limits and Targets***

Industry and institutional knowledge along with commitment and expertise are vital to the successful functioning of the Board. Given the nature and size of the Company's business and its industry, the Board has determined that while it is committed to fostering diversity among board members, it would be unduly restrictive and not in the best interests of the Company to adopt specific director term limits. Diversity and Board renewal will be supported through the other mechanisms designed to address the needs of the Company and not through the imposition of arbitrary term limits. Further, given the nature and size of the Company's business and its industry, it may be challenging for the Company to identify a qualified pool of candidates that adequately reflects the various diverse characteristics that the Company seeks to promote. The Company has therefore not adopted any specific targets.

### **Board Committees**

The Board currently has two standing committees: the Audit Committee and the CGN Committee.

Although certain responsibilities are delegated to each of the committees, the Board retains its oversight function and ultimate responsibility for all matters delegated to its committees. For additional information regarding the Audit Committee see the Company's current Annual Information Form ("AIF") dated March 15, 2022.

### **Audit Committee**

The Audit Committee is currently comprised of: Maria Perrella (Chair), Christiane Bergevin, Kevin Dalton and Matt Hills. All of the members of the Audit Committee are considered "financially literate" and "independent" within the meaning of NI 52-110. The members of the Audit Committee meet without management present immediately following each quarterly meeting of the Audit Committee and also meet with the external auditors without management present, at least quarterly. The Audit Committee held four such meetings in 2021.

A discussion of the Audit Committee charter and a copy of the charter is included in the AIF, under the Audit Committee section on pages 22 to 23 and in Appendix A. The AIF is available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **External Auditor Service Fees (By Category)**

The following table discloses the fees billed to the Company by its external auditor during the last three financial years.

<b>Financial Year Ending</b>	<b>Audit Fees <sup>(1)</sup></b>	<b>Audit Related Fees <sup>(2)</sup></b>	<b>Tax Fees <sup>(3)</sup></b>	<b>All Other Fees<sup>(4)</sup></b>
December 31, 2021	584,750	191,000	Nil	Nil
December 31, 2020 <sup>(5)</sup>	520,600	303,500	Nil	Nil
December 31, 2019 <sup>(5)</sup>	450,000	220,000	Nil	Nil

Note:

- (1) The aggregate fees billed for audit services.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the 'Audit Fees' column. For the year ended December 31, 2020, this includes review engagement fees and fees for the services in connection with the preparation of the Remedy's business acquisition report and the Company's special warrant financing. For the year ended December 31, 2021, this includes review engagement fees and fees for the services in connection with the preparation of the Medical Pharmacies Group Limited Business Acquisition Report, the Bought Deal and the May 2021 Equity Financings.
- (3) The aggregate fees billed for tax compliance, tax advice, and tax planning services.
- (4) The aggregate fees billed for all other services.

### **Compensation, Governance and Nominating Committee**

The CGN Committee is comprised of: Matt Hills (Chair), Kevin Dalton, Ralph Desando, Bruce Moody and Jack Shevel. Kevin Dalton and Matt Hills are considered independent. The CGN Committee held four formal meetings in 2021 and, when required, without management present.

The CGN Committee is responsible for (i) providing oversight with respect to the Company's compensation and human resources policies and practices, all with the objective of enhancing the Company's performance and shareholder value, (ii) developing and overseeing governance process and structures to supervise the business and affairs of the Company to define the allocation of authority between the Board and management so as to achieve accountability to the Company's shareholders, (iii) identifying nominees to act as directors of the Company, and (iv) overseeing quality and performance measurement and monitoring as well as risk identification and mitigation.

The purposes of the CGN Committee with respect to its compensation and human resources functions are to, on behalf of the Board, (i) review and approve compensation levels for senior management, (ii) review and approve equity compensation programs for the Company's employees and exercise discretion in administration of such programs, and (iii) oversee certain aspects of the Company's retirement plans to the extent established from time to time.

The purposes of the CGN Committee with respect to its functions relating to governance processes and structures are to, on behalf of the Board, (i) identify individuals qualified to become members of the Board consistent with criteria approved by the Board, (ii) recommend to the Board nominees for election to the Board at each annual meeting of shareholders or to fill vacancies on the Board and to address related matters and (iii) develop and recommend to the Board corporate governance principles applicable to the Company and be responsible for leading the annual review of the performance of the Board.

The purposes of the CGN Committee with respect to its functions relating to quality and risk are to, on behalf of the Board, (i) track quality, safety and performance metrics and (ii) monitor and mitigate enterprise risks.

The CGN Committee reviews its charter at least annually and recommends changes to the Board with respect to its charter, as necessary.

## **PART V – ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company's comparative annual financial statements and MD&A for the year ended December 31, 2021.

The Company will provide to any person, upon request to the Company at 320 Bay Street, Suite 1200, Toronto, Ontario, M5H 4A6, a copy of the Company's most recently filed annual financial statements, together with the related MD&A, and any interim financial statements of the Company that have been filed for any period after the end of the Company's most recently completed financial year, together with the related MD&A, provided that the Company will require the payment of a reasonable charge if the request is made by a person who is not a security holder of the Company.

## **PART VI – GENERAL**

Except where otherwise indicated, information contained herein is given as of April 25, 2022.

The undersigned hereby certifies that the contents and the sending of this Circular have been approved by the directors of the Company.

DATED this 25<sup>th</sup> day of April, 2022.

(Signed) "Kevin Dalton"

Chairman of the Board