



**LI-FT POWER LTD.**  
**(the “Corporation”)**

**COMPENSATION COMMITTEE CHARTER**

**1. PURPOSE**

The Compensation Committee (the “Committee”) is established by the Board of Directors (the “Board”) of the Corporation.

The purpose of the Committee is to assist the Board in discharging its oversight responsibilities related to:

- a) the appointment, compensation and reporting relationships of the Corporation's executives;
- b) the compensation philosophy and programs of the Corporation;
- c) the adoption and amendment of incentive compensation plans and equity-based plans, subject to shareholder approval if required;
- d) the establishment of performance objectives and the conduct of performance evaluations for certain senior officers; and
- e) succession planning

**2. MEMBERSHIP AND COMPOSITION**

**2.1 Appointment of Committee Members**

The members of the Committee shall be appointed by the Board. The members of the Committee shall be appointed annually following the annual meeting of shareholders and shall hold office until:

- (a) the next annual meeting;
- (b) or until they are removed by the Board;
- (c) or until they cease to be directors of the Company

All members of the Committee shall be independent within the meaning of all applicable Canadian securities laws and the rules of the TSX-V; all of whom shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee.

**2.2 Vacancies**

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board, and shall be filled by the Board if the membership of the Committee is fewer than three (3) directors. The Board may remove and replace any member of the Committee by majority vote.

### **2.3 Committee Chair**

The Board shall appoint a Chair of the Committee. The Chair shall have responsibility for overseeing that the Committee fulfills its mandate and its duties effectively.

### **2.4 Absence of Committee Chair**

If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present at the meeting shall be chosen by the Committee to preside at the meeting by majority vote.

### **2.5 Secretary of Committee**

The Committee shall appoint a Secretary who need not be a member of the Committee or a director of the Corporation. The Secretary shall keep minutes of the meeting of the Committee.

## **3. MEETINGS AND PROCEDURES**

### **3.1 Meetings**

The Committee shall meet at least twice annually at the call of the Chair. In addition, a meeting can be called by any director. The meeting of the Committee may be held in person or by means of such telephonic, electronic or other communication facilities as permit all persons participating in the meeting to communicate adequately with each other during the meeting.

The Committee may invite any person to attend meetings to assist in the discussion of the matters under consideration by the Committee. The CEO of the Company and all other directors who are not members of the Committee may attend all meetings of the Committee in an ex-officio capacity and will not vote.

In-camera sessions will be held during, or after, every committee meeting (including special meetings) for which any guests including non-independent directors, shall be asked to leave. The CEO shall not attend in-camera sessions of the Committee unless his/her presence is deemed appropriate for a portion of the in-camera session, after which the CEO will be requested to leave.

### **3.2 Notice of Meeting**

Notice of the time and place of every meeting shall be given in writing or by e-mail to each member of the Committee at least 24 hours prior to the time fixed for such meeting; provided however, that a member may in any manner waive a notice of a meeting and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

### **3.3 Quorum**

A quorum of the Committee shall be a majority of the members. A decision made by the Committee shall be determined by majority vote by the members of the Committee present or by majority consent resolution in writing signed by each member of the Committee. The Chair shall not have a casting vote. A member will be deemed to have consented to any resolution passed or action taken at a meeting of the Committee unless the member votes against such resolutions or dissents.

### **3.4 Minutes**

The Committee shall fix its own procedures, keep records of its proceedings, and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board.) The Board shall be promptly advised on any decisions taken by the Committee, and minutes of any Committee meeting will be provided to the Board.

## **4. DUTIES AND RESPONSIBILITIES**

To implement the Committee's purpose, the Committee shall have the responsibilities set out in Sections 4.1 to 4.7. The Committee may supplement and deviate from these activities as appropriate under the circumstances (except as otherwise required by applicable law or the requirements of any stock exchange on which any of the Company's shares are then listed):

### **4.1. Overall Compensation Strategy and Guidelines**

The Committee shall review Management's recommendations and recommend to the Board a statement of compensation philosophy, strategy, and principles for the Company's executives and administer the Company's executive compensation and benefits program in accordance with the statement approved by the Board. The statement shall take into account all applicable laws, rules and guidelines regarding executive compensation and accountability.

The Committee shall also be responsible for reviewing Management's recommendations, as appropriate, and providing recommendations in its discretion to the Board regarding certain matters relating to all employees, including annual salary and incentive policies and programs, material new benefit programs, and material changes to existing benefit programs.

The Committee shall review independent expertise (services/consultants) recommendations, as appropriate, and providing recommendations in its discretion to the Board regarding certain matters relating to all employees, including annual salary and incentive policies and programs, material new benefit programs, and material changes to existing benefit programs.

The Committee shall also, at least annually review and make recommendations to the Board with respect to the compensation to be paid to the directors of the Company.

### **4.2. CEO Evaluation and Compensation**

The Committee shall determine and approve, or review and recommend to the Board for approval, the compensation and other terms of employment of the Company's CEO and shall evaluate the CEO's performance in light of relevant corporate goals and objectives and, where appropriate, with reference to competitive market data regarding compensation paid to CEOs of peer companies.

In addition, in determining the long-term incentive component of the compensation of the CEO, the Committee shall consider the Company's performance and shareholder return relative to peer companies, the value of similar incentive awards to CEOs at peer companies and the long-term incentive awards given or not given to the CEO in past years, and independent (paid/unpaid) analyses

This Charter should not be construed as precluding discussion of compensation of the CEO with

the Board, as it is not intended to impair communication among members of the Board.

#### **4.3. Compensation of Other Executive Officers.**

The Committee shall evaluate and approve, or recommend to the Board for approval, the achievement of individual performance goals and objectives of the Company's other executive officers that are established annually by the CEO.

The Committee shall determine and approve, or review and recommend to the Board for approval, all elements of the compensation and other terms of employment of these executive officers, taking into consideration the person's success in achieving his or her individual performance goals and objectives and the corporate goals and objectives deemed relevant to the person as established by the Committee or the Board, as appropriate, and in fostering a corporate culture that promotes the highest level of innovation, integrity and the highest ethical standards. In evaluating and determining, or making recommendations regarding, officer compensation, the Committee may, at its sole discretion retain independent consultants and refer to competitive market data regarding compensation paid to give consideration to the recommendations of the CEO.

#### **4.4. Director Compensation**

The Committee shall determine and recommend to the Board for approval the compensation paid to the Company's directors based on its evaluation of the director's performance and, where appropriate, with reference to competitive market data regarding compensation paid to directors of peer companies.

#### **4.5. Equity Compensation Review**

The Committee shall review Management's recommendations, as appropriate, and make recommendations in its discretion to the Board regarding, incentive compensation or equity plans, programs or similar arrangements that the Company establishes for, or makes available to, its employees and consultants, including the designation of the employees and consultants who may participate, the share and option availability and the administration of share purchases.

In addition, the Committee shall review periodically, as appropriate, the extent to which these forms of compensation are meeting their intended objectives, and shall make recommendations in its discretion to the Board regarding modifications that will more accurately relate such compensation to employee performance.

#### **4.6. Peer Groups**

The Committee shall evaluate and recommend to the Board the appropriate peer group of companies on which to assess the appropriateness and competitiveness of Corporation's compensation policies and plans.

#### **4.7. Other Duties and Responsibilities Delegated by the Board**

Exercise such other powers and perform such other duties and responsibilities as are incidental

to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board.

**5. COMPENSATION POLICY RISKS**

In performing its duties and exercising powers, the Committee shall consider the implications of the risks associated with the Corporation's compensation policies and practices.

**6. COMPENSATION DISCLOSURE**

Review and recommend to the Board for approval the executive compensation sections relating to Directors and senior executives in accordance with applicable laws, rules and guidelines and that shall be disclosed in the management proxy circular prepared in connection with the Corporation's annual meeting of shareholders.

**7. ENGAGEMENT OF OUTSIDE ADVISORS**

The Committee, when it considers necessary or advisable, may retain, at Corporation's expense, outside consultants or advisors to assist or advise the Committee independently on any matter within its mandate. The Committee shall have the sole authority to retain and terminate any such consultant, advisor, including sole authority to approve the fees and other terms of the engagement.

**8. REVIEW OF THE CHARTER**

The Committee shall assess the adequacy of this Charter, at least every two years and recommend changes to the Board for approval, taking into account any applicable legislative and regulatory requirements and best practice guidelines.

*Adopted by the Board of Directors on November 06, 2023.*

*Reviewed and revised by the Corporate Governance and Nominating Committee and approved by the Board of Directors on July 25, 2024.*