



## **JUSHI HOLDINGS INC.**

### **MANDATE OF THE BOARD OF DIRECTORS**

#### **1. Introduction**

The board of directors (the “**Board**”) of Jushi Holdings Inc. (the “**Company**”) is elected by the shareholders of the Company and is responsible for the stewardship of the Company. The purpose of this mandate is to describe the principal duties and responsibilities of the Board, as well as some of the policies and procedures that apply to the Board in discharging its duties and responsibilities.

#### **2. Chair of the Board**

The Chair of the Board shall be appointed by the Board (after considering the recommendation of the Nominating and Corporate Governance Committee if there is such a recommendation) and if there is a vacancy in such office, the members of Board shall appoint one of its members to fill the vacancy (after considering the recommendation of the Nominating and Corporate Governance Committee if there is such a recommendation) until such time as the position is filled by the Board.

#### **3. Independence**

The Board will be comprised of a majority of independent directors, as established by applicable laws and the rules of any stock exchanges upon which the Company's securities are listed, including section 1.4 of National Instrument 52-110 - *Audit Committees*.

Where the Chair is not independent, the independent directors will select one of their number to be appointed lead director of the Board for one-year terms. If the Company has a non-executive Chair, then the role of the lead director will be filled by the non-executive Chair. The lead director or non-executive Chair will chair regular meetings of the independent directors, when necessary, and assume other responsibilities that the independent directors as a whole have designated.

#### **4. Role and Responsibilities of the Board**

The role of the Board is to act honestly and in good faith and act in the best interests of the Company, and each member of the Board must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Board must represent the shareholders of the Company, enhance and maximize shareholder value and conduct the business and affairs of the Company ethically and in accordance with the highest standards of corporate governance. The Board is ultimately accountable and responsible for providing independent, effective leadership in supervising the management of the business and affairs of the Company. The responsibilities of the Board include:

- (a) oversee the conduct of the Company's business and evaluate whether the business is being properly managed;
- (b) review, approve and monitor fundamental business and financial strategies and major corporate actions;
- (c) risk identification and ensuring that procedures are in place for the management of those risks;
- (d) review and approve operating plans and budgets as needed;



- (e) corporate social responsibility, ethics and integrity;
- (f) the appointment, training and supervision of management and succession planning as appropriate;
- (g) monitoring financial reporting and management;
- (h) monitoring internal control and management information systems and/or delegation of same to the Audit Committee;
- (i) corporate disclosure and communications;
- (j) adopting measures for receiving feedback from stakeholders as needed;
- (k) evaluating and authorizing compensation of the Company's Chief Executive Officer and review and approve the succession planning of the Company's Chief Executive Officer; and
- (l) adopting key corporate policies designed to ensure that the Company, its directors, officers and employees comply with all applicable laws, rules and regulations and conduct their business ethically and with honesty and integrity.

## **5. Meetings of the Board**

Meetings of the Board will meet as needed to fulfill its mandate. After each meeting of the Board, the independent directors may meet without non-independent directors at their discretion. In addition, separate, regularly scheduled meetings of the independent directors of the Board will be held at which members of management are not present.

The Board will delegate responsibility for the day-to-day management of the Company's business and affairs to the Company's senior officers and will supervise such senior officers appropriately.

The Board may delegate certain matters it is responsible for to Board committees, presently consisting of the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee. The Board will, however, retain its oversight function and ultimate responsibility for these matters and all delegated responsibilities.

## **6. Strategic Planning Process and Risk Management**

The Board will adopt a strategic planning process to establish objectives and goals for the Company's business and will review, approve and modify as appropriate the strategies proposed by senior management to achieve such objectives and goals. The Board will review and approve, at least on an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the Company's business and affairs.

The Board, in conjunction with management, will identify the principal risks of the Company's business and oversee management's implementation of appropriate systems to effectively monitor, manage and mitigate the impact of such risks.

## **7. Corporate Social Responsibility, Ethics and Integrity**

The Board will provide leadership to the Company in support of its commitment to corporate social responsibility, set the ethical tone for the Company and its management and foster ethical and responsible decision-making by management. The Board will take all reasonable steps to satisfy itself of the integrity of the Chief Executive Officer (the "CEO") and management and satisfy itself that the CEO and management create a culture of integrity throughout the organization.



## **8. Succession Planning, Appointment and Supervision of Management**

The Board will approve succession planning for the Company, including the selection, appointment, supervision and evaluation of the CEO and the other senior officers of the Company, and will also approve the compensation of the CEO and the other senior officers of the Company.

## **9. Delegations and Approval Authorities**

The Board will delegate to the CEO and senior management authority over the day-to-day management of the business and affairs of the Company. This delegation of authority will be subject to specified financial limits and any transactions or arrangements in excess of general authority guidelines will be reviewed by and subject to the prior approval of the Board.

## **10. Monitoring of Financial Reporting and Management**

The Board will approve the annual audited financial statements, the notes and management discussion and analysis accompanying such financial statements, annual reports, management proxy circulars, annual information forms, prospectuses, and all material capital investments, equity financings, and borrowings.

The Board will adopt procedures that seek to: ensure the integrity of internal controls and management information systems; ensure compliance with all applicable laws, rules and regulations; and prevent violations of applicable laws, rules and regulations relating to financial reporting and disclosure, violation of the Company's code of business conduct and ethics and fraud against shareholders.

## **11. Corporate Disclosure and Communications**

The Board or the Audit Committee as delegated will seek to ensure that there are proper procedures in place so that corporate disclosures comply with all applicable laws, rules and regulations and the rules and regulations of the stock exchanges upon which the Company's securities are listed. In addition, the Board will adopt procedures that seek to ensure the Board receives feedback from security holders on material issues.

## **12. Corporate Policies**

The Board will adopt and annually review policies and procedures designed to ensure that the Company, its directors, officers and employees comply with all applicable laws, rules and regulations and conduct the Company's business ethically and with honesty and integrity. Principal policies consist of:

- (a) Code of Business Conduct and Ethics;
- (b) Insider Trading Policy; and
- (c) Whistleblower Policy.

## **13. No Rights Created**

This Mandate is a broad policy statement and is intended to be part of the Board's flexible governance framework. While this Mandate should comply with all applicable laws, regulations and listing requirements and the Company's articles and by-laws, this Mandate does not create any legally binding obligations on the Board or the Company. The terms of this Mandate are not intended to give rise to civil liability on the



part of the Company or its directors or officers to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.

#### **14. Review of Mandate**

The Nominating and Corporate Governance Committee will annually review and assess the adequacy of this mandate and recommend any proposed changes to the Board for consideration.

The Board may, from time to time, amend this Mandate.

#### **15. Approval**

Approved by the Board of Directors on November 13, 2023.