



## MANDATE OF THE COMPENSATION COMMITTEE

### 1. PURPOSE

The Board delegates certain duties to the Committee regarding the human resources of the Corporation. Among others, the Committee reviews matters relating to the appointment, training, compensation and succession of the members of the Corporation's senior management.

The Committee's mandate set forth herein does not limit the scope of any rights or powers conferred to the Board.

### 2. INTERPRETATION

**"Chairman"** means the Chairman of the Committee.

**"Committee"** means the Compensation Committee of the Corporation.

**"Committees"** means this Committee, the Governance Committee and the Audit Committee of the Corporation.

**"Corporation"** means, IMV Inc. and any subsidiary of IMV Inc.

**"Board of Directors"** or **"Board"** means the board of directors of IMV Inc.

**"Executive Officer"** means a company's president, principal financial officer, principal accounting officer (or, if there is no such accounting officer, the controller), any vice-president of the company in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for a company. Officers of a company's subsidiaries shall be deemed officers of the Corporation if they perform such policy-making functions for the Corporation.

**"Family Member"** means a person's spouse, parents, children and siblings, whether by blood, marriage or adoption, or anyone residing in such person's home.

**"Independent Director"** means a director who is not an Executive Officer or employee of the Corporation or any other individual who has a direct or indirect relationship with the Corporation, which would interfere with the exercise of an independent judgment regarding the best interests of the Corporation or in carrying out the responsibilities of a director. An individual is not an Independent Director if such individual:

- a) is, or has been within the last three years, an employee or Executive Officer of the Corporation;
- b) is a Family Member of an individual who is or has been, within the last three years, an Executive Officer of the Corporation;
- c) is or has been (or whose Family Member is or has been), within the last three years, an Executive Officer, a partner or an employee of a material service provider of the Corporation (including the external auditors);
- d) is or has been (or whose Family Member is or has been), within the last three years, an Executive Officer of another entity where at any time within the last three years any of the Executive Officer's of the Corporation served on the entity's Compensation Committee;
- e) has a relationship with the Corporation under which he or she may directly or indirectly accept any consulting, advisory or other fees from the Corporation or a related entity, except for any compensation as a member of the Board of the Corporation or as a member of a Committee;
- f) received (or whose Family Member received) more than C\$75,000 in compensation from the Corporation (excluding (A) fees as a director or Committee member, (B) compensation paid to a Family Member who is an employee (other than an Executive Officer) of the Corporation, or (C) benefits under a tax-qualified retirement plan or non-discretionary compensation) during any consecutive 12 month period within the last three years;
- g) is, or has a Family Member who is, a partner in, or a controlling shareholder or an Executive Officer of, any organization to which the Corporation made, or from which the Corporation received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year, or US\$200,000, whichever is more, other than the following: (i) payments arising solely from investments in the Corporation's securities; or (ii) payments under non-discretionary charitable contribution matching programs;
- h) is a natural person who controls the Corporation; or
- i) is an affiliate of the Corporation (or any subsidiary of the Corporation).

### **3. COMPOSITION, MEETINGS AND PROCEDURES**

- 3.1 The Committee shall be comprised of at least three directors, all of which are Independent Directors. In affirmatively determining the independence of any director who will serve on the Committee, the Board must consider all factors specifically relevant to determining whether a director has a relationship to the Corporation which is material to that director's ability to be independent from

management in connection with the duties of the Committee member, including, but not limited to: (i) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Corporation to such director; and (ii) whether such director is affiliated with the Corporation, a subsidiary of the Corporation or an affiliate of a subsidiary of the Corporation.

- 3.2 The Board shall appoint the Chairman. If the Chairman is not present at a Committee meeting, the members present shall choose one of their number to act as Chairman for the purposes of this specific meeting.
- 3.3 Meetings shall be called by the Chairman and held at least twice per year.
- 3.4 The chairman of the Board and the Chief Executive Officer (the “CEO”) of the Corporation may request that the Chairman hold a meeting of the Committee.
- 3.5 The quorum of the Committee shall be composed of not less than the majority of the Committee members then in office.
- 3.6 Notice of each meeting shall be given to each Committee member and to the other directors and to the Corporation’s senior management. Unless they are expressly called to the meeting, the latter only receive the notice for information purposes.
- 3.7 The Committee may invite the persons it considers useful to invite, including the Corporation’s senior management, to attend the meetings and participate in the discussions concerning the Committee’s business.
- 3.8 The Committee members, whenever possible, shall take all necessary steps to attend Committee meetings and to prepare themselves with respect to the matters and documents to be discussed thereat.
- 3.9 The Committee shall appoint a secretary. The secretary shall attend the meetings, during which he or she shall take minutes. The minutes shall be made available to the directors for consultation and are approved by the Board before being included in the Corporation’s registers or records.
- 3.10 The Committee shall submit periodically a report to the Board on its activities, including the nature of its deliberations and the related recommendations.
- 3.11 The Committee, in the performance of its duties, may consult any relevant register or record of the Corporation.
- 3.12 The Committee members shall receive, in this capacity, the compensation that the Board establishes from time to time.

## 4. RESPONSIBILITIES AND DUTIES

### 4.1 Human Resources

4.1.1 The Committee's primary duties and responsibilities are to review and make recommendations to the Board in respect of:

- a) the recruitment, hiring, evaluation, determination of terms of employment and the job description of the CEO;
- b) the Corporation's compensation strategy, policies and guidelines, taking into account the proposals from the CEO, and to monitor their consistency with the Corporation's goals and strategies;
- c) the CEO's recommendations on the appointment and compensation of Executive Officers and other key employees of the Corporation;
- d) management incentive and perquisite plans and any non-standard remuneration plans;
- e) succession planning of the Corporation's senior management; and
- f) Board compensation and training matters.

4.1.2 In carrying out its duties and responsibilities, the Committee shall:

- a) annually assess and make a recommendation to the Board with regard to the competitiveness and appropriateness of the compensation package of the CEO, all other Executive Officers of the Corporation and such other key employees of the Corporation and any subsidiary of the Corporation as may be identified by the CEO and approved by the Committee (collectively, the "**Designated Employees**");
- b) annually review the performance goals and criteria for the CEO and evaluate the performance of the CEO against such goals and criteria and recommend to the Board the amount of regular and incentive compensation to be paid to the CEO;
- c) annually review and make a recommendation to the Board regarding the CEO's performance evaluation of Designated Employees and his or her recommendation of the amount of regular and incentive compensation to be paid to such Designated Employees;
- d) review and make a recommendation to the Board regarding any employment contract or arrangements with each of the Designated Employees, including any retiring allowance or similar arrangements to take effect in the event of a termination of employment;

- e) when requested by the CEO, review and make recommendations to the Board regarding short term incentive or reward plans and, to the extent delegated by the Board, approve awards to eligible participants;
- f) review and make recommendations to the Board regarding incentive stock option plans or any other long term incentive plans and, to the extent delegated by the Board, approve grants to participants and the magnitude and terms of their participation;
- g) annually, prepare or review the report on executive compensation required to be disclosed in the Corporation's information circular or other regulatory filings or any other human resource or compensation matter required to be publicly disclosed by the Corporation;
- h) evaluate annually the insurance coverage for the Corporation's directors and senior management, as well as the policies regarding their indemnification;
- i) periodically, but at least every three years, review and make a recommendation to the Board regarding the compensation of all directors and training requirements for new directors;
- j) as required, retain independent advice in respect of human resources and compensation matters and, if deemed necessary by the Committee, meet separately with such advisors; and
- k) evaluate the adoption of new plans or important modifications to compensation or fringe benefits plans of the Corporation.

4.1.3 The CEO may not be present during voting or deliberations on his or her compensation.

#### 4.2 Internal and External Resources

4.2.1 The Committee shall hire independent external advisers if it deems necessary or desirable for its needs, and in its sole discretion. However, the Committee shall not delegate its responsibilities, unless expressly permitted herein.

4.2.2 The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any external adviser retained by the Committee.

4.2.3 The Corporation must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to an external adviser retained by the Committee.

- 4.2.4 The Committee may select, or receive advice from, an external adviser to the Committee, other than in-house legal counsel, only after taking into consideration the following factors: (i) the provision of other services to the Corporation by the person that employs the external adviser; (ii) the amount of fees received from the Corporation by the person that employs the external adviser, as a percentage of the total revenue of the person that employs the external adviser; (iii) the policies and procedures of the person that employs the external adviser that are designed to prevent conflicts of interest; (iv) any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the compensation committee; (v) any stock of the Corporation owned by the external adviser; and (vi) any business or personal relationship of the external adviser or the person employing the external adviser with an Executive Officer of the Corporation.
  - 4.2.5 The Committee is not required to implement or act consistently with the advice or recommendations of the external adviser to the Committee.
  - 4.2.6 The Committee may, in the exercise of its duties, consult any relevant record or file of the Corporation.
- 4.3 The Board shall review and reassess annually the mandate of the Committee for adequacy and recommend any changes to the Board.

Adopted by the Board on November 1, 2018.