

# **ONCOLYTICS BIOTECH INC.**

## **GOVERNANCE COMMITTEE MANDATE**

### **1. Policy Statement**

It is the policy of Oncolytics Biotech Inc. (the "Corporation") to establish and maintain a Governance Committee (the "Committee"), composed entirely of independent directors, to assist the Board of Directors of the Corporation (the "Board") in carrying out its responsibility for ensuring that the mission and strategic direction of the Corporation is reviewed annually and that the Board and each of its committees carry out its functions in accordance with due process. The Committee is also responsible for assessing the effectiveness of the Board as a whole, each committee of the Board, and the contribution of each individual director. The Committee has the responsibility to address governance issues; and also holds the responsibility for identifying, recruiting, nominating, endorsing, recommending appointment of, and orienting new directors. The Committee will be provided with resources commensurate with the duties and responsibilities assigned to it by the Board, including administrative support. In the event of a conflict of interest or potential conflict of interest involving one or more of the directors or members of management, the Committee may modify the procedures and requirements set out in this Mandate, restrict communication and sharing of information or otherwise take reasonable measures to manage the conflict of interest or potential conflict of interest.

### **2. Composition of Committee**

- (a) The Committee shall consist of a minimum of three (3) directors. The Board shall appoint the members of the Committee. The Board shall appoint one Member of the Committee to be the Chair of the Committee, or delegate such authority to appoint the Chair of the Committee to the Committee.
- (b) The Chair of the Committee shall be responsible for the leadership of the Committee, including preparing or approving the agenda, presiding over meetings, and making committee assignments.
- (c) Each director appointed to the Committee by the Board shall be an outside director who is unrelated. An outside, unrelated director is a director who meets the requirements of NASDAQ Rule 5605 and National Instrument 58-101 who is independent of management and is free from any interest, any business or other relationship which could, or could reasonably be perceived, to materially interfere with the director's ability to act with a view to the best interests of the Corporation, other than interests and relationships arising from shareholding. In determining whether a director is independent of management, the Board shall make reference to the then current legislation, rules, policies and instruments of applicable regulatory authorities.
- (d) Each Member shall be appointed by the Board annually at the next scheduled meeting of the Board following the AGM. The Members will be appointed to hold office until the next annual general meeting of shareholders or until their successors are appointed. The board may remove a Member at any time and may fill any vacancy occurring on the Committee. A Member may resign at any time and a Member will automatically cease to be a Member upon ceasing to be a director.

- (e) The Chair of the Board shall be an ex officio Member of the committee.

### 3. Meetings of the Committee

- (a) The Committee shall meet a minimum of twice per year at such time and place as may be designated by the Chair of the Committee and whenever a meeting is requested by the Board, a Member of the Committee, or the President and Chief Executive Officer of the Corporation (“CEO”).
- (b) Notice of each meeting of the Committee shall be given to each Member of the Committee. The CEO shall attend whenever requested to do so by a Member of the Committee.
- (c) Notice of a meeting of the Committee shall:
  - (i) be in writing, including by electronic communication facilities;
  - (ii) state the nature of the business to be transacted at the meeting in reasonable detail;
  - (iii) to the extent practicable, be accompanied by copies of documentation to be considered at the meeting; and
  - (iv) be given at least two business days prior to the time stipulated for the meeting or such shorter period as the Members of the Committee may permit.
- (d) A quorum for the transaction of business at a meeting of the Committee shall consist of a majority of the Members of the Committee. However, it shall be the practice of the Committee to require review, and, if necessary, approval of certain important matters by all Members of the Committee.
- (e) A Member or Members of the Committee may participate in a meeting of the Committee by means of such telephonic, electronic or other communication facilities, as permits all persons participating in the meeting to communicate adequately with each other. A Member participating in such a meeting by any such means is deemed to be present at the meeting.
- (f) In the absence of the Chair of the Committee, the Members of the Committee shall choose one of the Members present to be Chair of the meeting. If the Board has appointed a Corporate Secretary, the Corporate Secretary shall be the secretary of the meeting. If the Board has not appointed a Corporate Secretary, the Members of the Committee shall choose one of the persons present to be the secretary of the meeting or may have another person who is not a Member of the Committee present to record the minutes of the meeting.
- (g) Minutes shall be kept of all meetings of the Committee and shall be signed by the Chair and the secretary of the meeting. Minutes of the meetings of the Committee shall be distributed to members of the Committee, to other members of the Board and, with the exception of “*in camera*” items, to the Chief Executive Officer and Chief Financial Officer. Notwithstanding the foregoing, distribution of minutes of meetings or parts thereof may be restricted in the event of a conflict of interest or potential conflict of

interest or if otherwise necessary for the Committee to properly discharge its responsibilities, but only for as long as is reasonably necessary.

#### 4. **Duties and Responsibilities of the Committee**

##### ***Governance***

- (a) The Committee shall annually review: (i) the Corporation's Board of Directors Mandate; (ii) position descriptions for the Chair of the Board, chairs of the Board's committees and the CEO; (iii) Mandates of the Board's committees; and (iv) principal corporate policies (which review will be conducted with the Audit Committee). The Committee may recommend to the Board any changes to the foregoing.
- (b) The Committee shall annually (i) review and evaluate the size, composition and operation of the Board to ensure effective decision-making; (ii) review and evaluate the size, composition and chairs of the Board's committees; (iii) identify and evaluate candidates for appointment or nomination to the Board based upon an assessment of the independence, skills, qualifications and experience of the candidate; and (iv) make recommendations to the Board.
- (c) The Committee shall annually review Board process and recommend changes to the Board where appropriate, including: (i) the number and duration of Board meetings; (ii) the appropriateness of the annual schedule for regular agenda items for Board meetings; and (iii) the appropriateness of the information provided to directors both before and during Board meetings.
- (d) The Committee shall, in conjunction with the Board Chair, establish and manage a process to annually review the performance of the Board, Board Committees, the Board Chair and each individual director.

##### ***Nominations***

- (e) The Committee shall:
  - (i) consider the competencies and skills the Board, as a whole, should possess;
  - (ii) recommend to the Board the necessary and desirable competencies and skills of directors;
  - (iii) identify individuals qualified to become members of the Board, assess the competences and skills of such individuals and the time such individuals can devote to the Board, and recommend to the Board new director nominees for the next annual meeting of shareholders;
  - (iv) in the event of a vacancy occurring on the Board, however caused, the Committee shall recommend to the Board whether the vacancy should be filled and if so, a person or persons for appointment as a director to fill the vacancy;
  - (v) based upon a consideration of his or her performance in office and any other factors considered relevant, recommend to the Board whether a director should

be nominated for election or re-election at any annual meeting of shareholders at which he or she is eligible to be elected a director;

- (vi) consider nominees recommended by shareholders for election as directors;
- (vii) consider nominees proposed by the Board for election as directors;
- (viii) make recommendations to the Board regarding resignations of directors, in accordance with policies determined from time to time by the Committee;
- (ix) in the event of a vacancy occurring on a committee of the Board, however caused, recommend to the Board a person or persons for appointment as a member to fill such vacancy; and
- (x) make recommendations from time to time to the Board concerning such other matters, including matters related to corporate governance, as the Committee may deem appropriate or as may be referred to it from time to time by the Board.

### ***Training and Development***

- (f) With respect to Board training and development, the Committee shall:
  - (i) Ensure that all directors receive the orientation and ongoing training necessary to effectively carry out their duties and responsibilities;
  - (ii) approve training and development experiences for the Board as a whole;
  - (iii) approve individual training or development experiences for individual directors based on specific identified needs;
  - (iv) monitor and assess the value of training programs and recommend changes; and
  - (v) ensure maintenance of records of director participation in development activities.

### ***Other Duties***

- (g) The Committee shall review and make recommendations on functional and operational matters relating to the Board such as the composition of the boards of subsidiaries and the requirement for Board meetings without management present.
- (h) Monitor the quality of the relationship between management and the Board and recommend improvements deemed necessary or advisable.
- (i) The Committee shall communicate with the Board on corporate governance matters and review and approve, as required, public or regulatory disclosure respecting the corporate governance practices of the Corporation as set forth by the then current legislation, rules, policies and instruments of applicable regulatory authorities

- (j) The Committee shall monitor and review corporate insider trading policy, continuous disclosure policy, and corporate guidelines for maintaining confidentiality, and recommend changes and action required to deal with breaches of policy or guidelines.
- (k) The Committee shall review and approve, where appropriate, the engagement of outside advisors by members of the Board at the expense of the Corporation when requested to do so by a member of the Board.
- (l) The Committee shall annually review the corporate structure and make recommendations to the Board for the election or appointment of the officers and directors of each subsidiary of the Corporation.
- (m) The Committee shall assess, on an annual basis, the adequacy of this Mandate and the performance of the Committee.

## **5. Reporting**

The Committee shall, at the earliest opportunity after each meeting, report to the Board the results of its activities and any reviews undertaken and make recommendations to the Board as deemed appropriate. The Committee may restrict such reports in the event of a conflict of interest or potential conflict of interest or if otherwise necessary for the Committee to properly discharge its responsibilities, but only for as long as is reasonably necessary.

## **6. External Advisors**

If, in order to properly discharge its function, duties and responsibilities, it is necessary, in the opinion of the Committee that the Committee obtains the advice and counsel of external advisors, the Chair shall, at the request of the Committee, engage the necessary experts. The Committee shall keep the Board apprised of both the selection of experts and the expert's findings through the Committee's regular reports to the Board. The Committee may restrict such reports in the event of a conflict of interest or potential conflict of interest or if otherwise necessary for the Committee to properly discharge its responsibilities, but only for as long as is reasonably necessary.

## **7. Date of Mandate**

This Mandate was last reviewed and approved by the Board on March 5, 2020.