



AKANDA

AKANDA CORP.

COMPENSATION & HUMAN RESOURCES COMMITTEE CHARTER

1. PURPOSE AND PRIMARY RESPONSIBILITY

1.1 This Charter sets out the Compensation & Human Resources Committee's purpose, composition, member qualification, member appointment and removal, responsibilities, operations, manner of reporting to the Board of Directors (the "Board") of Akanda Corp. (the "Company"), annual evaluation and compliance with this Charter.

1.2 The primary responsibility of the Compensation Committee is the oversight of, and the annual and ongoing review of, the Chief Executive Officer (the "CEO"), the compensation of the senior management team, and the bonus programs in place for the balance of the staff. This includes oversight responsibility for ensuring the proper reporting and continuous disclosure in respect of same, and compliance with laws and regulations as well as stock exchange rules and policies in respect of same. The Compensation Committee shall also be responsible for the other matters as set out in this Charter and/or such other matters as may be directed by the Board from time to time. The Compensation Committee should exercise continuous oversight of developments in these areas.

2. MEMBERSHIP

2.1 The Compensation Committee will consist of at least two (2) members.

2.2 Each member of the Compensation Committee shall be an independent director as defined in Rule 5605(d)(2) of the Nasdaq Listing Rules and meet any other applicable independence standards under applicable securities laws, the rules and regulations of the applicable securities regulatory authorities and stock exchanges and any other laws applicable to the Company, including any exceptions permitted by these requirements. Each member of the Compensation Committee must qualify as "non-employee directors" for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

2.3 The members of the Compensation Committee will be appointed annually (and from time to time thereafter to fill vacancies on the Compensation Committee) by the Board. A Compensation Committee member may be removed or replaced at any time at the discretion of the Board. If the member is filling an independent director position, he or she will cease to be a member of the Compensation Committee on ceasing to be an independent director.

2.4 Unless a Chair is designated by the Board, the Committee may designate a Chair by majority vote of the full Committee membership.

3. AUTHORITY

3.1 In addition to all authority required to carry out the duties and responsibilities included in this Charter, the Compensation Committee has specific authority to:

(a) in its sole discretion, retain, engage or obtain the advice of, oversee the work of, and set and pay the compensation for independent legal counsel, compensation consultants and other advisors as it determines necessary to carry out its duties and responsibilities, in accordance with Nasdaq Listing Rule 5606(d)(3) and Rule 10C-1(b) under Exchange Act, and any such consultants or professional advisors so retained by the Compensation Committee will report directly to the Compensation Committee;

(b) communicate directly with management; and

(c) incur ordinary administrative expenses that are necessary or appropriate in carrying out its duties, which expenses will be paid for by the Company.

4. DUTIES AND RESPONSIBILITIES

4.1 The duties and responsibilities of the Compensation Committee will include:

(a) reviewing, on an annual basis shortly following the completion of the fiscal year, the performance of the CEO, other Executive Officers (as defined in Rule 5605(a)(1) of the Nasdaq Listing Rules), and such other senior officers as the Board may request a review of from time to time; the Compensation Committee will also determine the compensation level including bonus entitlement for such officer or officers payable in respect of that fiscal year, if any, and recommend same to the Board for approval.

(b) determining, on an annual basis in advance of the start of the fiscal year and in sufficient time to be reflected in the annual budget, the proposed performance goals and annual compensation of the CEO and other Executive Officers of the Company for such fiscal year (to the extent not otherwise previously contracted for), including:

(i) base salary,

(ii) cash and equity bonuses, if any,

(iii) stock option and other equity grants, if any, and

(iv) other benefits and perquisites,

and recommending same to the Board for approval.

(c) reviewing with the CEO (or such other titled officer as represents the senior most executive officer in the Company), the compensation proposed for the senior management team of the Company, and the milestones for same, on an annual basis in advance of the start of the fiscal year and in sufficient time to be reflected in the annual budget; the individuals falling into this category will be determined between the CEO and the Compensation Committee, and the Compensation Committee will recommend same to the Board for approval;

(d) reviewing the Company's incentive compensation plans and equity-based plans, which includes the ability to adopt, amend and terminate such plans, and the Compensation Committee will recommend same to the Board and where appropriate, the shareholders, for approval;

- (e) reviewing and recommending to the Board, from time to time, the compensation of the Board and Committee members and consulting with the Nominating and ESG Committee in respect of same;
- (f) reviewing with the CEO, at least once annually, the long-term planning for human resource additions to the Company's team, and the compensation that will be needed in respect thereof and which will need to be included in the budgeting process;
- (g) reviewing with the CEO, at least once annually, the standard form of employment and consulting contracts used by the Company, and the process the Company uses to ensure that all employees and consultants sign same (and that same are all signed and filed in the Company's files), and that the Company is adequately protected by its standard forms in respect of non-disclosure, ownership of Intellectual Property, non-competition and non-solicitation of employees and consultants;
- (h) reviewing, at least once annually, employment agreements, severance arrangements, retirement arrangements, change in control agreements/provisions, and any special or supplemental benefits or perquisites for the CEO and other Executive Officers;
- (i) to the extent applicable, reviewing and discussing the Compensation Discussion and Analysis (the "CD&A") to be included in the Company's proxy statement and annual report with management, and, based on such review and discussion, determine whether or not to recommend to the Board that the CD&A be so included; producing an annual report of the Compensation Committee for inclusion in the Company's proxy statement and annual report;
- (j) overseeing the Company's policies on structuring compensation programs to preserve tax deductibility where appropriate; and
- (k) reviewing with the CEO, at least once annually, the general benefit plans in place for employees;

The CEO may designate a member of his or her team to meet with the Compensation Committee in respect of the matters above.

4.2 On an annual basis, the Compensation Committee shall review and assess the adequacy of this Charter taking into account all applicable legislative and regulatory requirements as well as any best practice guidelines recommended by regulators or stock exchanges with whom the Company has a reporting relationship and, if appropriate, recommend changes to the Compensation Committee Charter to the Board for its approval.

5. MEETINGS

5.1 The Compensation Committee may establish its own procedures, including the formation and delegation of authority to subcommittees, in a manner not inconsistent with this Charter, the Company's governing documents, or applicable laws or regulations.

5.2 The Compensation Committee shall meet at least four times a year at such times and places as it deems necessary to fulfill its responsibilities.

5.1 The CEO may not be present during voting or deliberations of the Compensation Committee on his or her compensation.

6. REPORTS

6.1 The Compensation Committee will report to the Board regarding the Compensation Committee’s examinations and recommendations, and in respect of each meeting held. The report to the Board will be provided in the form of:

- (a) slides to be included in the slide deck being provided by management for the Board meeting;
- (b) a copy of the Minutes of the Compensation Committee meeting in question; and
- (c) any recommendations of the Compensation Committee to the Board.

6.2 The Compensation Committee will report its activities to the Board to be incorporated as a part of the minutes of the Board meeting at which those activities are reported.

7. MINUTES

7.1 The Compensation Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

8. ANNUAL PERFORMANCE EVALUATION

8.1 The Board will conduct an annual performance evaluation of the Compensation Committee, taking into account the Charter, to determine the effectiveness of the Committee.

Effective as of August 18, 2021.