

XANADU QUANTUM TECHNOLOGIES LIMITED

CORPORATE GOVERNANCE GUIDELINES

Introduction

The board of directors (the “**Board**”) of Xanadu Quantum Technologies Limited (the “**Company**”) and management of the Company are committed to maintaining a high standard of corporate governance. The Board has responsibility for the overall stewardship of the Company and discharges such responsibility by reviewing, discussing and approving the Company’s strategic planning and organizational structure and supervising management with a view to preserving and enhancing the business of the Company and its underlying value. Management of the business within this process and structure is the responsibility of the Chief Executive Officer and senior management.

The Board has adopted the following guidelines to assist it in its corporate governance responsibilities.

Board Responsibilities

Board Charter

1. The Board has responsibility for the stewardship of the Company and has adopted a formal mandate (the “**Mandate**”) setting out the Board’s stewardship responsibilities, including, without limitation, the Board’s responsibilities for the appointment of management, management of the Board, oversight of strategic planning, monitoring of financial performance, and oversight of financial reporting, risk management, company policies and procedures, communications, reporting, and compliance.

Corporate Strategy

2. The Board believes that management is responsible for the development of the Company’s corporate strategies. The Board, both directly and through its committees (each a “**Committee**”), participates in discussions regarding strategy, by responding to the same and contributing ideas.
3. The Board reviews and approves the Company’s long-term strategic plan and its annual business plan and its annual operating and capital budgets.

Succession Planning

4. The Board expects the Chief Executive Officer and management succession planning to be an ongoing activity to be periodically reviewed by the Governance, Compensation and Nominating Committee and reported on to the Board. This planning process will include, on a continuing basis, the Chief Executive Officer’s recommendation of a successor in the event of an unexpected incapacitation of the Chief Executive Officer.

Board Communication with Stakeholders

5. The Board has reviewed and approved, as applicable, the Company’s disclosure policy and disclosure controls and procedures. The Board, or an appropriate Committee of the Board or a director with delegated authority, reviews the content of the Company’s major communications to shareholders and the investing public, including, without limitation, interim period and annual reports, earnings releases, management’s discussion and analysis, information circulars, the annual information form and any prospectuses that may be issued, filed or otherwise distributed.

6. The Board believes it is a function of management to speak for the Company in its communications with the investment community, the media, customers, suppliers, employees, governments and the general public. It is understood that the Lead Independent Director or other individual directors may from time to time be requested by management to assist with such communications. If communications from stakeholders are made to the Lead Independent Director or other individual directors, management will be informed and consulted, as appropriate, to determine any appropriate response.

Corporate Governance

7. The Governance, Compensation and Nominating Committee is responsible for developing and recommending improvements and other necessary adjustments to these corporate governance guidelines for implementation by the Board.

Board Organization and Membership

Size of Board

8. The Board believes that the appropriate size for the Board is between five and ten members. There are currently six directors and the Board is targeting an overall board size of five to nine members, a number that the Board believes is appropriate and facilitates effective decision-making.

Board Independence

9. A majority of directors shall be “independent” within the meaning of United States federal and Canadian securities laws and stock exchange requirements as in effect and applicable to the Company from time to time, subject to an election by the Company to rely on any exemptions, cure periods or and transition periods permitted by the applicable listing standards and rules of the relevant stock exchanges.

Selection of Chair

10. The Chair will be appointed by the Board after consideration of the recommendation of the Governance, Compensation and Nominating Committee. The Board has approved and will periodically review a position description for the Chair.

Lead Independent Director

11. At any time when the Chair is a non-independent director, the independent directors will appoint an independent director to carry the functions of a lead independent director. The lead independent director’s responsibilities would include acting as chair of regular meetings of the independent directors and assuming the other responsibilities set out in the Company’s position description for the lead independent director or otherwise as may be set out by the Board.

Mix of Directors

12. The Board believes that there should be no more than two management directors. The membership of the Chief Executive Officer on the Board of Directors is valuable and conducive to effective decision making and should continue.
13. The Board will annually consult with the Governance, Compensation and Nominating Committee regarding its review of the independence of each of the non-management directors.

Principal Occupation Changes by Directors

14. A non-management director who makes a major change in principal occupation will inform the Board before such change and may be advised by the Board to submit his or her resignation to the Board for consideration. It is not intended that non-management directors who retire or whose professional positions change should necessarily leave the Board. Rather, the Board believes it is appropriate in such circumstances to conduct a review, with the assistance of the Governance, Compensation and Nominating Committee, of the continued appropriateness of Board membership under such circumstances. Whether that resignation is accepted will be determined by the Board, taking into account the circumstances existing at that time.
15. Subject to the Company's Investor and Registration Rights Agreement, when the Chief Executive Officer or other officer ceases to be an officer, such officer, if a director, will submit his or her resignation to the Board for consideration concurrently with ceasing to hold office with the Company. Whether that resignation is accepted will be determined by the Board, taking into account the circumstances existing at that time.

Election of Directors

16. Directors will stand for election annually.

Term Limits

17. The Board is committed to a process of Board renewal and succession planning for directors, which seeks to bring fresh thinking and new perspectives to the Board while maintaining an appropriate degree of continuity and adequate opportunity for transition of Board and Committee roles and responsibilities. In order to assist the Governance, Compensation and Nominating Committee and the Board in succession planning for directors and appropriate Board renewal, the Board has adopted the following limits on Board service. Subject to the Company's Investor and Registration Rights Agreement, a non-management director shall not stand for re-election at the first annual meeting of shareholders after 12 years following the date on which the director first began serving on the Board; provided that in special circumstances (including if necessary to facilitate orderly Board renewal) on the recommendation of the Governance, Compensation and Nominating Committee a non-management director may continue to stand for re-election so long as the director continues to receive solid annual performance assessments and meets other Board policies or legal requirements for Board service.

Criteria for Board Membership; Diversity

18. The Governance, Compensation and Nominating Committee is mandated to review annually the competencies, skills and personal qualities applicable to candidates to be considered for nomination to the Board. The objective of this review will be to maintain the composition of the Board in a way that provides, in the judgment of the Board, the best mix of skills and experience to provide for the overall stewardship of the Company.
19. The Company believes in diversity and values the benefits diversity can bring to the Board and the Company's workforce, including diversity of personal characteristics such as age, gender, character, ethnicity, geographic residence, business experience (including financial skills and literacy), functional expertise, demonstrated leadership, stakeholder expectations, and culture. The composition of the Board and the Company's workforce is intended to reflect a diverse mix of skills, experience, knowledge and backgrounds, including an appropriate number of women directors and personnel. The Governance, Compensation and Nominating Committee is responsible

for overseeing the Company's initiatives in promoting diversity in both its Board and overall workforce, and oversees applicable Board and/or workforce diversity policies, programs and initiatives.

Other Directorships

20. The Company recognizes that the Board can benefit when a director also serves on the board of another company, so long as such service does not conflict with the Company's interests, including those set out in the Company's corporate governance policies. Directors should advise the Chair and the chair of the Governance, Compensation and Nominating Committee before accepting membership on the board of directors or committee of another company or other significant commitments involving affiliation with other businesses, non-profit entities or governmental units. A director's acceptance of additional positions as a corporate director with for-profit corporations is therefore subject to prior review and approval of the Governance, Compensation and Nominating Committee or the Board. In general, each non-management director is expected to hold no more than three public company directorships in total, but may hold up to a total of five public company directorships (including the Company) with the prior approval of the Board following a review and recommendation by the Governance, Compensation and Nominating Committee. Each director who serves as an executive officer of a public company may not serve on the board of directors of any public company besides the Company and the board of the company where they serve as an executive officer. Each director who is also an employee of the Company should not hold more than one such directorship (in addition to service on the Board). No member of the Audit Committee may serve on the audit committees of more than two other publicly-traded companies unless the Board has first determined that such simultaneous service would not impair the ability of the applicable director to serve on the Audit Committee.

Review of Director and Officer Questionnaires

21. The Company shall periodically (at least annually) distribute to and receive from each director and officer (as that term is defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended) a Directors' and Officers' Questionnaire (the "D&O Questionnaire"). The Chief Legal Officer (or designee) shall review (in consultation with the Company's outside legal counsel, as appropriate) all D&O Questionnaires to assist in making any required disclosures in the Company's filings with the U.S. Securities and Exchange Commission and the Ontario Securities Commission and to confirm, among other matters, the continued independence of each independent director.

Selection of New Director Candidates

22. The Governance, Compensation and Nominating Committee is mandated to consider candidates for director and to make recommendations to the Board. Directors are encouraged to identify potential candidates. The Lead Independent Director and the Chief Executive Officer will be consulted and have input into the process. An invitation to stand as a nominee for election to the Board will normally be made to a candidate by the Board through the Chair or the Chair's delegate.

Director Orientation and Education

23. The Governance, Compensation and Nominating Committee is mandated to oversee an orientation, education and training program for new directors and ongoing educational and training opportunities for all directors. Directors are encouraged to be involved in continuing director education on an ongoing basis to enable them to better perform their duties and to recognize and appropriately address issues that arise. Directors are encouraged to attend seminars, conferences and other continuing education programs designed especially for directors of public companies, including but not limited to, accredited director education programs.

Board Committees

Board Committees

24. The Board has determined that there should be two standing Board committees: the Audit Committee and the Governance, Compensation and Nominating Committee. This structure may change as the Board considers from time to time which of its responsibilities can best be fulfilled through detailed review of matters in committee.
25. Each committee will operate according to a Board-approved written charter outlining its duties and responsibilities.
26. From time to time the Board may create ad hoc committees to examine specific issues on behalf of the Board. The Lead Independent Director and Chief Executive Officer are entitled to attend meetings of those Committees of the Board of which they are not a listed member on an ex officio but non-voting basis, other than any portion of the meeting during which only independent directors may be in attendance.

Powers

27. For the avoidance of doubt, unless the charter of the applicable committee provides otherwise, each Board committee will have the following powers:
 - (a) *Access* – each committee is entitled to full access to all books, records, facilities, and personnel of the Company and its subsidiaries and may require such officers, directors, and employees of the Company and its subsidiaries and others as it may deem fit from time to time to provide any information about the Company and its subsidiaries;
 - (b) *Delegation* – each committee may delegate from time to time to any person or committee any of the committee’s responsibilities that may lawfully be delegated, provided that such person or committee reports back to the committee with respect to the exercise of delegated authority; and
 - (c) *Adoption of Policies and Procedures* – each committee may adopt policies and procedures for carrying out its responsibilities.

Committee Procedures

28. Except as provided for in the charter of the applicable committee, the procedures for the meetings of the Board committees will be the same as those for the Board provided for under the heading “Board Meetings and Materials” below, with necessary modifications, including that references to the Chair will be to the chair of the applicable committee.

Oversight of Committee Functions

29. The purpose of Board committees is to assist the Board in discharging its responsibilities. Notwithstanding the delegation of responsibilities to a Board committee, the Board is ultimately responsible for matters assigned to the committee and its determinations. Except as may be explicitly provided in the charter of the committee or a resolution of the Board, the role of the Board committee is to review and make recommendations to the Board with respect to the approval of matters delegated to and considered by the committee.

Board Meetings and Materials

Frequency, Time and Place of Meetings

30. The Board meets at least quarterly, and more often as appropriate.

Quorum

31. The quorum necessary for the transaction of business at a meeting of the Board will be a majority of the number of directors then in office.

Voting; Conflicts of Interest

32. Each member of the Board will have the right to vote on matters that come before the Board. Any director who faces an actual or potential conflict of interest in a particular matter, other than matters relating to the compensation of directors, must disclose his or her interest to the Chair and the lead director (if applicable). If the Chair or lead director (if applicable) concurs that there is an actual or potential conflict of interest, the applicable director will disclose his or her interest to the Board and will neither participate in consideration of, nor vote on, such matter.

Secretary of the Meeting; Minutes

33. Subject to the Company's by-laws, Secretary of the Corporation shall be the secretary of each meeting, unless another Chair designates another person, who need not be a director, to act as secretary. The secretary of each meeting will keep minutes of the meeting. Minutes will be maintained in a minute book kept for that purpose and distributed to all directors.

Meeting Agendas

34. The Chair, working with the Chief Executive Officer and Lead Independent Director as applicable, shall establish the agenda for each Board meeting. Each Board member is free to suggest the inclusion of items on the agenda.

Meeting Materials

35. Meeting materials will be provided to directors sufficiently in advance of Board meetings to provide directors with adequate opportunity for their review. Whenever feasible, the Board receives materials at least five days in advance of meetings. Presentations on specific subjects at Board meetings will briefly summarize the materials sent so that discussion can focus on questions regarding the proposals.

Non-Directors at Board Meetings

36. The Board believes there is value in having members of senior management, other employees and/or outside consultants or advisors attend Board meetings to provide information and opinions and assist the directors in their deliberations. The Board encourages the Chief Executive Officer to bring other executive officers into Board meetings. The presence of such executives is expected to bring additional insights into the discussions, because of the executives' personal involvement in, and knowledge of, specific agenda items. The benefit of exposing the Board to other executives, for succession planning and career development purposes, is recognized. Non-directors will be excused from any agenda items that are reserved for discussion among directors only or are otherwise sensitive or confidential.

Executive Sessions of Directors and Independent Directors

37. The Board has determined that an in camera meeting of the independent directors will be held at least semi-annually, or more frequently as appropriate.
38. The Lead Independent Director and the Chief Executive Officer should debrief on the substance of the in camera session.

Director Compensation

39. The Board has determined that the directors should be compensated for their service on the Board and on committees of the Board, if applicable, in a form and amount that is appropriate and customary for comparative companies, having regard for such matters as time commitment, responsibility and trends in director compensation.
40. The Governance, Compensation and Nominating Committee is mandated to review the compensation of the directors on this basis annually.

Board's Relationship with Management

Board Relationship with Management

41. The Board will support and encourage the members of management in the performance of their duties. Management will make appropriate use of the Board's skills before decisions are made on key issues. The Governance, Compensation and Nominating Committee will review and assess the Board's relationship with management.

Limits to Management Authority

42. The Board has established general authority guidelines that provide appropriate flexibility but place limits on management's approval authority depending on the nature and size of the proposed transaction. Certain of such transactions may require approval by the Board or a committee thereof.

Evaluation of the Chief Executive Officer

43. Annually, the Board (or any Committee of the Board to the extent the Board delegates its responsibilities to the same) will review the annual objectives for the Chief Executive Officer and the senior management team, and will assess the results of the same.
44. The responsibilities of the Chief Executive Officer are set by the Board. The Chief Executive Officer is responsible for leading the development of long-term plans for the Company, including its goals and strategies.
45. The Board will evaluate the performance of the Chief Executive Officer at least annually. The evaluation will be based on criteria which include the performance of the business and the accomplishment of the Chief Executive Officer's qualitative and quantitative objectives as established at the beginning of each fiscal year of the Company.

Director Access to Management

46. All directors will have open access to the Company's senior management for relevant information. Written communications from directors to members of management will be copied to the Chief Executive Officer or the Chief Legal Officer, or in the case of accounting and financial matters, the

Chief Financial Officer. Individual directors are encouraged to make themselves available for consultations with management outside Board meetings in order to provide specific advice and counsel on subjects where such directors have special knowledge and experience.

Director Responsibilities and Performance

Director Responsibilities

47. Directors are expected to use their skill and experience to provide oversight to the business of the Company. Directors have a duty to act honestly and in good faith with a view to the best interests of the Company and to exercise the care, diligence and skill that a reasonably prudent person would in comparable circumstances.
48. Directors are expected to attend all Board and committee meetings whether in person or telephonic. If meetings are to be held in person, it is acceptable, on an infrequent basis, for directors to participate in such meetings by conference call if attendance in person is not possible. A director will notify the Chair or committee chair, as applicable, or the Secretary if the director will not be able to attend or participate in a meeting.
49. Directors are expected to review and be familiar with Board and committee materials which have been provided in sufficient time for review prior to a meeting. Directors are to advise the Chair or committee chair, as applicable, of matters which they believe should be added to a meeting agenda.

Outside Advisors for Individual Directors

50. Committees have authority to retain outside advisors at the expense of the Company to assist on Committee matters.
51. The Board has determined that in the event any director wishes to engage a non-management advisor to assist on matters involving their responsibilities as a director at the expense of the Company, the director should review the request with, and obtain the authorization of, the Governance, Compensation and Nominating Committee.

Assessment of Board and Individual Director Performance

52. The Board is responsible for assessing the performance and effectiveness of directors on Committees and of the Board as a whole. The Board delegates the assessment process to the Governance, Compensation and Nominating Committee. The Governance, Compensation and Nominating Committee reports and makes recommendations to the Board on the assessments. The Chair works with the Governance, Compensation and Nominating Committee to ensure proper Board composition and succession and the Governance, Compensation and Nominating Committee reports to the Board on the same.
53. The Governance, Compensation and Nominating Committee will oversee the assessment of Board effectiveness on an annual basis.
54. The Board, through the Governance, Compensation and Nominating Committee, reviews on a regular basis (as it deems necessary) the appropriate skills and characteristics required of Board members in the context of the current makeup of the Board and objectives of the Company. This assessment will include issues of geography, age, experience, gender, independence, and skills all in the context of an assessment of the perceived needs of the Board and the Company at that point in time.

Ethics and Conflicts of Interest

55. The Board expects directors, as well as officers and employees, to act ethically at all times and to acknowledge their adherence to the policies comprising the Company's Code of Business Conduct and Ethics. The Company's Code of Business Conduct and Ethics will be reviewed at from, time to time by the Board. Although it is the Board's policy to not permit any waivers of any ethics policy, to the extent circumstances arise which necessitate such a waiver, the Company must disclose such waiver in accordance with applicable laws.
56. In addition to the statutory responsibilities of directors to disclose all actual or potential conflicts of interest and generally to refrain from voting on matters in which the director has a conflict of interest, the director will recuse himself or herself from any discussion or decision on any matter in which the director is precluded from voting as a result of a conflict of interest or which otherwise affects his or her personal, business or professional interests.

Review of Governance Guidelines

57. The Governance, Compensation and Nominating Committee will review and assess the adequacy of these corporate governance guidelines from time to time and, as appropriate, will recommend any proposed changes to the Board for approval. These guidelines, as may be amended from time to time, shall be posted on the Company's website.

Dated this 25th day of March, 2026.