

XANADU QUANTUM TECHNOLOGIES LIMITED
GOVERNANCE, COMPENSATION AND
NOMINATING COMMITTEE CHARTER (the “Charter”)

Purpose

1. The Governance, Compensation and Nominating Committee (the “**Committee**”) is a standing committee appointed by the board of directors (the “**Board**”) of Xanadu Quantum Technologies Limited (the “**Company**”). The Committee is established to fulfill applicable public company obligations respecting compensation and nominating committees and to assist the Board in fulfilling its oversight responsibilities with respect to governance, compensation and Board nomination matters. This includes the responsibility to oversee, among other things as may be delegated by the Board from time to time:
 - (a) compensation structure for senior management of the Company, including salaries, annual and long-term incentive plans, including plans involving equity-based awards;
 - (b) the establishment of policies and procedures designed to identify and mitigate risks associated with the Company’s compensation policies and practices;
 - (c) compensation of directors;
 - (d) adoption of retirement, benefit and savings plans and administration of the Company’s equity-based incentive plans;
 - (e) appointment, performance, evaluation and compensation of senior management of the Company;
 - (f) recruitment, development and retention of senior management of the Company;
 - (g) talent management and succession planning systems and processes relating to senior management of the Company;
 - (h) development of corporate governance guidelines and principles for the Company and providing governance leadership to the Company;
 - (i) identification of individuals qualified to be nominated as directors;
 - (j) monitoring compliance with the Company’s principal corporate policies, including the Code of Business Conduct and Ethics;
 - (k) developing policies and search protocols, as appropriate, to promote diversity of board members and the Company’s management team;
 - (l) overseeing director orientation and continuing education;
 - (m) reviewing the structure, composition and mandate of committees of the Board; and
 - (n) evaluation of the performance and effectiveness of the Board and of committees of the Board.

2. In addition, the Committee will prepare, if required, a Committee report for inclusion in the Company's management information circular, in accordance with applicable rules and regulations.

Procedures of the Committee

3. *Number of Members* – The members of the Committee will be appointed by the Board. The Committee will consist of not less than two Board members.
4. *Independence* – The Committee will be constituted at all times of “independent directors” who either meet or exceed independence requirements of the stock exchange(s) that list the Company's capital (the “**Exchange**”) and who are “independent” within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), subject to an election by the Company to rely on any available exemption, exception, cure period or transition period. The Board will consider all relevant facts and circumstances in making a determination of independence for each director and, as appropriate, impose independence requirements more stringent than those provided for by the Exchange and/or NI 58-101 to the extent required by Canadian or U.S. securities laws, including rules and policies promulgated by the United States Securities and Exchange Commission and the Toronto Stock Exchange. In particular, each member must be “independent” in accordance with NI 58-101.
5. *Quorum* – A quorum for decisions of the Committee is a majority of Committee members.
6. *Appointment and Replacement of Committee Members* – Any member of the Committee may be removed or replaced at any time by the Board and will automatically cease to be a member of the Committee upon ceasing to be a director. The Board will fill any vacancy if the membership of the Committee is less than two directors. Whenever there is a vacancy on the Committee, the remaining members may exercise all of the powers of the Committee as long as a quorum remains in office. Subject to the foregoing, the members of the Committee will be appointed by the Board annually and each member of the Committee will remain on the Committee until the next annual meeting of shareholders after his or her appointment or until his or her successor will be duly appointed and qualified.
7. *Committee Chair* – Unless a Committee Chair is designated by the Board, the members of the Committee may designate a Chair by majority vote of the Committee. The Committee Chair will be responsible for leadership of the Committee assignments and reporting to the Board. If the Committee Chair is not present at any meeting of the Committee, one of the other members of the Committee who is present will be chosen by the Committee to preside at the meeting. The Committee will report through the Committee Chair to the Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.
8. *Meetings* – The Committee will meet regularly and as often as it deems necessary to perform the duties and discharge its responsibilities described herein in a timely manner, but not less than two times a year. The Committee Chair will approve the agenda for such meetings and any member may suggest items for consideration. Briefing materials will be provided to the Committee as far in advance of meetings as practicable. The Committee will maintain written minutes of its meetings, which will be filed with the meeting minutes of the Board.
9. *Separate Executive Meetings* – The Committee will meet without senior management in attendance for a portion of any meeting of the Committee and the Chief Executive Officer of the Company may not be present during any portion of a Committee meeting in which deliberation or any vote regarding his or her compensation occurs.

10. *Self-Evaluation* – The Committee will conduct a self-evaluation at least annually to determine whether it and its members are functioning effectively, and report its conclusion to the Board.

Compensation Matters

11. The Committee is responsible for performing the duties set out below and any other duties that may be assigned to it by the Board as well as any other functions that may be necessary or appropriate for the performance of its duties:
- (a) annually reviewing the corporate goals and objectives for the Chief Executive Officer and other senior management of the Company relevant to compensation as determined by the Committee or the Board and, in the Committee's discretion, recommend any changes to the Board for consideration;
 - (b) annually reviewing and evaluating the performance of the Chief Executive Officer in light of the pre-established corporate goals and objectives referred to above;
 - (c) annually reviewing the compensation for the Chief Executive Officer and, in the Committee's discretion, recommending any changes to the Board for consideration; and
 - (d) annually reviewing the Chief Executive Officer's recommendations for senior management's compensation and evaluation of performance objectives and, in the Committee's discretion, recommending any changes to the Chief Executive Officer for consideration.
12. The compensation policies and practices for the directors and the senior management will reflect the following:
- (a) their respective duties and responsibilities;
 - (b) the goal of being competitive in attracting, retaining and motivating high quality and high performing directors and senior management of the Company;
 - (c) aligning the interests of the directors and the senior management of the Company with shareholders and the Company as a whole;
 - (d) being based on established corporate and individual performance objectives; and
 - (e) not encouraging the taking of inappropriate or excessive risks.
13. Each year the Committee will review and determine, and make appropriate recommendations to the Board for the Chief Executive Officer and the senior management of the Company, all annual and other compensation arrangements and components, which may include the following:
- (a) annual base salary;
 - (b) annual cash bonus;
 - (c) awards under plans and supplemental retirement programs;
 - (d) any perquisites, special or supplemental benefits; and

- (e) any long term plans.
- 14. The Committee will, in conjunction with the senior management, administer the equity based compensation plans of the Company and such other similar plans as established by the Board.
- 15. The Committee will review and discuss, at least annually:
 - (a) the relationship between the Company's risk management policies, corporate strategy and compensation of senior management; and
 - (b) the Company's compensation approach, policies and practices to ensure that they encourage senior management to consider the risks related to their decisions and actions and that they do not encourage unnecessary or inappropriate risk taking.
- 16. Each year the Committee will review and make recommendations to the Board regarding the Company's compensation policies and processes and any new incentive compensation programs for its employees to ensure that any risks arising from the policies and programs are not reasonably likely to have a material adverse effect on the Company
- 17. The Committee will review and approve, and make appropriate recommendations to the Board for the Chief Executive Officer and the senior management of the Company, all employment agreements, severance arrangements, and change-in-control agreements and provisions, if any.
- 18. The Committee will review the Company's succession plan for the Chief Executive Officer and senior management of the Company, including their appointment, training and evaluation.
- 19. The Committee shall review plans in respect of an unexpected incapacitation of the Chief Executive Officer.
- 20. The Committee will review periodically the compensation of directors, and make appropriate recommendations to the Board as to the amount and form of compensation of directors, the Chair of the Board, those acting as committee chairs and committee members and, if applicable, the Lead Independent Director.

Corporate Governance Matters

- 21. The Committee will from time to time review the Company's corporate governance documents, including as applicable, the Corporate Governance Guidelines, position descriptions, the charters of various standing committees of the Board and the principal corporate policies of the Company including the Code of Business Conduct and Ethics and, in the Committee's discretion, recommend any changes to the Board for consideration.
- 22. The Committee will review and assess the size, composition and operation of the Board and composition and chairs of the committees of the Board.
- 23. The Committee will periodically review corporate governance issues, trends, best practices and proposed, new or amended regulatory requirements and recommend changes to the Company's corporate governance practices and principles for approval by the Board.
- 24. The Committee will oversee the Company's sustainability policies, programs and initiatives, and will periodically update the Board as the Committee deems necessary, desirable or appropriate on sustainability-related matters.

Nomination Matters

25. Subject to consideration of the obligations of the Company under the Investor and Registration Rights Agreement (defined below), the Committee will:
- (a) review periodically the competencies, skills and personal qualities required of directors in order to add value to the Company, in light of:
 - (i) the opportunities and risks facing the Company and the Company's proposed strategy;
 - (ii) the need to ensure that for purposes of the composition of the Board a majority of the directors are independent directors; and
 - (iii) the Company's corporate governance guidelines and Board policies with respect to director tenure, retirement and succession, diversity and the number of boards on which directors may sit;
 - (b) annually or as necessary to fill vacancies and newly created directorships, identify individuals qualified to become new directors and recommend to the Board the director nominees for the next annual meeting of shareholders and individual directors to serve on the committees of the Board;
 - (c) recommend to the Board for approval the director nominees to be proposed for election to the Board in the Company's proxy solicitation materials mailed to shareholders for the purposes of any meeting of shareholders to consider the election of directors or to fill any vacancies on the Board arising between shareholders' meetings;
 - (d) review periodically the competencies, skills and personal qualities of each existing director, and the contributions made by the director to the effective operation of the Board and review any significant change in the primary occupation of the director. The Committee will periodically review each director's time commitments and ability to properly discharge their duties, as described in the Company's Corporate Governance Guidelines;
 - (e) identify as necessary qualified candidates for election to the Board having regard to the independence, background, diversity, skills and qualifications of possible candidates and recruit nominees as may be required;
 - (f) consider questions of independence and possible conflicts of interest of members of the Board and executive officers, including as they relate to directorships at other public companies. Review any outside directorships in other public companies held by any executive officer of the Company. The Board shall retain the ultimate authority for determining a director's independence;
 - (g) make recommendations to the Board regarding any resignation of a director made pursuant to the Company's Majority Voting Policy or other Company policy;
 - (h) develop and implement a process to handle any nominees for director who are recommended by shareholders; and
 - (i) review and revise, as necessary, a succession plan for the Chair of the Board and, if applicable, the Lead Independent Director of the Board.

Director Protection

26. The Committee will review and approve any material changes to the Company's directors and officers insurance policy.
27. Subject to applicable law and the constating documents of the Company, the Committee is responsible for administering all policies and practices of the Company with respect to the indemnification of directors by the Company and for approving or, in the Committee's sole discretion, recommending that the Board approve, all payments made pursuant to such policies and practices.

Business and Ethical Conduct

28. The Committee will:
 - (a) establish and update periodically a Code of Business Conduct and Ethics for employees, officers and directors of the Company; and
 - (b) in conjunction with the Audit Committee of the Board or representatives thereof, as applicable, oversee management's monitoring of and, compliance with the Company's Code of Business Conduct and Ethics.

Other Duties

29. The Committee will review, consider and make recommendations to the Board with respect to the desired competencies and skills for, as well as the process for, annually assessing the performance and effectiveness of the Board as a whole, the committees of the Board, Board and committee chairs and individual directors. This assessment may address, among other things, individual director independence, individual director and overall board skills and individual director financial literacy.
30. The Committee will review and report to the Board on the results of the assessment of the Board, the committees of the Board, Board and committee chairs and individual directors and make recommendations in connection with such review.
31. The Committee will develop and oversee an orientation program for new directors and a continuing education program for current directors, periodically review these programs and have them updated as necessary.
32. The Committee will identify and assess risks related to Board governance and composition, direct and supervise the investigation into any matter brought to its attention within the scope of the Committee's duties and perform such other duties as may be assigned to it by the Board from time to time or as may be required by applicable law.
33. In addition to the responsibilities of the Chair described above, the Chair has the primary responsibility for overseeing and reporting on the evaluations to be conducted by the Committee, as well as monitoring developments with respect to compensation and governance practices in general and reporting to the Committee on any related significant developments.
34. The performance of the Committee will be evaluated by the Board as part of its regular evaluation of the Board committees.

Access to Information and Authority to Retain Independent Advisors

35. The Committee will be granted unrestricted access to all information regarding the Company that is necessary or desirable to fulfill its duties and all directors, officers and employees of the Company will be directed to cooperate as requested by members.
36. The Committee has the authority to retain, at the Company's expense, independent legal, financial, compensation consulting and other advisors, consultants and experts to assist the Committee in fulfilling its duties and responsibilities, including sole authority to retain and to approve their fees. The Committee will select such advisors, consultants and experts after taking into consideration factors relevant to their independence from management and other relevant considerations.
37. The Committee will discharge its responsibilities and will assess the information provided by the Company's management and the external advisers, in accordance with its business judgment. Members are entitled to rely, absent knowledge to the contrary, on the integrity of the persons and organizations from whom they receive information, and on the accuracy and completeness of the information provided. Nothing in this Charter is intended or may be construed as imposing on any member of the Committee or the Board a standard of care or diligence that is in any way more onerous or extensive than the standard to which the directors are subject under applicable law. This Charter is not intended to change or interpret the constating documents of the Company or applicable law or stock exchange rule to which the Company is subject, and this Charter should be interpreted in a manner consistent with all such applicable laws and rules. Certain of the provisions of this Charter may be modified or superseded by the provisions of the investor and registration rights agreement governing the Company (the "**Investor and Registration Rights Agreement**"). In the event of a conflict between this Charter and the Investor and Registration Rights Agreement, the Investor and Registration Rights Agreement will prevail.
38. The Board may, from time to time, permit departures from the terms of this Charter, either prospectively or retrospectively. This Charter is 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.

General

39. The Committee will undertake on behalf of the Board such other corporate governance or nominating initiatives as may be necessary or desirable to enable the Board to provide effective corporate governance for the Company and to otherwise contribute to the success of the Company and enhance shareholder value.
40. The Committee will perform such other functions as required by law, the Company's governing documents or the Board.

Exceptions

41. The Committee may delegate from time to time to any person or committee any of its responsibilities that may lawfully be delegated, however the person or committee who exercises such delegated authority must report back to Committee with respect to such matters.

Review and Disclosure

The Committee will review and reassess the adequacy of this Charter periodically and otherwise as it deems appropriate and amend it accordingly. The performance of the Committee will be evaluated with reference to this Charter.

The Committee will ensure that this Charter is disclosed on the Company's website and that this Charter or a summary of it which has been approved by the Committee is disclosed in accordance with all applicable securities laws or regulatory requirements.

Dated this 25th day of March, 2026.