



TITAN MEDICAL INC.

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER

PURPOSE

The Corporate Governance and Nominating Committee is a standing committee appointed by the Board of Directors of Titan Medical Inc. ("Titan"). The Committee is responsible for overseeing and assessing the functioning of the Board and the committees of the Board and for the development, recommendation to the Board, implementation and assessment of effective corporate governance principles. The Committee's responsibilities also include identifying candidates for directorship and recommending that the Board select qualified director candidates for election at the next annual meeting of shareholders.

PROCEDURES

1. **Composition.** The Committee will be comprised of at least three members and each such members must be "independent" directors (as defined from time to time under applicable securities laws).
2. **Appointment and Replacement of Committee Members.** Any member of the Committee may be removed or replaced at any time by the Board and automatically ceases to be a member of the Committee upon ceasing to be a director.

The Board may fill vacancies on the Committee by appointing another director to the Committee. The Board will fill any vacancy if the membership of the Committee is less than three directors. Whenever there is a vacancy on the Committee, the remaining members may exercise all of the Committee's powers 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 is duly appointed and qualified.

3. **Committee Chair.** The members of the Committee will designate a Chair by majority vote of the full Committee. The Chair will be responsible for leadership of the Committee, including preparing the agenda, presiding over the meetings, making committee assignments and reporting to the Board.
4. **Conflicts of Interest.** If a Committee member faces a potential or actual conflict of interest relating to a matter before the Committee, other than matters relating to the compensation of directors, that member will be responsible for alerting the Chair of the Committee. If the Chair of the Committee faces a potential or actual conflict of interest, he or she will advise the Chair of the Board. If the Chair of the Committee, or the Chair of the Board, as the case may be, concurs that a potential or actual conflict of interest exists, the member faced with such conflict will disclose to the Committee his or her interest and may not participate in consideration of the matter and may not vote on the matter.

5. **Compensation of Committee Members.** The members of the Committee are entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.
6. **Meetings.** The Committee will meet regularly at times necessary to perform the duties described in this Charter in a timely manner, but not less than twice a year. Meetings may be held at any time deemed appropriate by the Committee. The Committee may meet in person and by telephone or electronic means and may act by means of a written resolution signed by all members entitled to vote on the matter.
7. **Calling of Meetings.** Notice of the time and place of every meeting will be given in writing, by any means of transmitted or recorded communication, including electronic means that produces a written copy, to each member of the Committee at least 48 hours prior to the time fixed for such meeting. However, a member may in any manner waive notice of a meeting. The attendance of a director at a meeting constitutes a waiver of notice of such meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened. Whenever practicable, the agenda for the meeting and the meeting materials will be provided to members before each Committee meeting in sufficient time to provide adequate opportunity for their review.
8. **Quorum.** A majority of the members of the Committee constitute a quorum.
9. **Chair of Meetings.** If the Chair of the Committee 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.
10. **Secretary of Meeting.** The Chair of the Committee will designate a person who need not be a member of the Committee to act as secretary or, if the Chair fails to designate such a person, the secretary of Titan will be secretary of the Committee. The agenda of the Committee meeting will be prepared by the Chair, working with the secretary of the Committee and, whenever reasonably practicable, circulated to each member prior to each meeting.
11. **Minutes.** Minutes of the proceedings of the Committee will be kept in a minute book provided for that purpose. The minutes of the Committee meetings will accurately record the discussions of and decisions made by the Committee, including all recommendations to be made by the Committee to the Board and will be distributed to all Committee members.
12. **Separate Executive Meetings.** The Committee will meet periodically with the Chief Executive Officer to discuss any matters that the Committee or the Chief Executive Officer believes should be discussed privately. However, the Committee will also meet without management present at every regular meeting.
13. **Professional Assistance.** The Committee may retain special legal, accounting, financial or other consultants to advise the Committee at Titan's expense including sole authority to retain and terminate any search firm to be used to identify director candidates and to approve any such firm's fees and other retention terms.
14. **Reporting to the Board.** The Committee will report through the Chair of the Committee to the Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.

POWERS

1. **Access.** The Committee is entitled to full access to all books, records, facilities, and personnel of Titan and its subsidiaries. The Committee may require such officers, directors and employees of Titan and its subsidiaries and others as it may see fit from time to time to provide any information about Titan and its subsidiaries it may deem appropriate and to attend and assist at meetings of the Committee.
2. **Delegation.** The Committee may delegate from time to time to any person or committee of persons any of the Committee's responsibilities that lawfully may be delegated.
3. **Adoption of Policies and Procedures.** The Committee may adopt policies and procedures for carrying out its responsibilities.

RESPONSIBILITIES

1. Board Composition and Director Nominations

- (a) The Committee will identify and recommend to the Board qualified director nominees for election or appointment to the Board.
- (b) The Committee will:
 - (i) review, from time to time, the size of the Board;
 - (ii) develop and periodically review the standards to be applied in making determinations as to the presence or absence of material relationships between a director and Titan;
 - (iii) annually review the competencies, skills and personal qualities required of directors in order to add value to Titan, in light of:
 - (A) the opportunities and risks facing Titan and Titan's proposed strategy;
 - (B) the need to ensure that for purposes of the composition of the Board: (1) a majority of the directors are "independent" directors (as defined under applicable securities laws and the rules of any stock exchange on which Titan's securities are listed for trading); (2) at least 25% of the directors are residents of Canada and at least that number of directors and executive officers who are not residents or citizens of the U.S.A. as are required to meet the requirements for Titan to qualify as a "foreign private issuer" under U.S. securities laws; and (3) at least three directors are "independent" directors (as defined from time to time under the requirements or guidelines for audit committee service under applicable securities laws); and
 - (C) Titan's Corporate Governance Guidelines and Board policies with respect to director tenure, retirement and succession and the number of boards on which directors may sit;
 - (iv) periodically review 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; and

- (v) in light of (i), (ii) and (iii) above, make recommendations for changes to the composition of the Board.
- (c) The Committee will recruit and consider candidates for directorship, including any candidates recommended by shareholders, having regard for the background, employment and qualifications of possible candidates. The Committee will:
 - (i) consider whether the candidate's competencies, skills and personal qualities are aligned with Titan's needs and any criteria for selecting new directors established by the Board;
 - (ii) inform the candidate of the demands and expectations of a director of Titan; and
 - (iii) maintain an evergreen list of potential candidates for directorship.

2. **Corporate Governance**

- (a) The Committee is responsible for reviewing at least annually, Titan's approach to governance issues and recommending to the Board changes to Titan's Corporate Governance Guidelines. The Corporate Governance Guidelines will address limitations on the number of boards on which directors may sit and Board policies with respect to director tenure, retirement and succession and changes in the primary occupation of a director.
- (b) If a director submits a resignation for consideration by the Board pursuant to the corporate governance guidelines or a Board policy, the Committee will recommend to the Board whether or not to accept it.
- (c) The Committee will establish policies to enable an individual director to engage an outside advisor at the expense of Titan with the approval of the Committee.
- (d) The Committee will periodically review the need for a Shareholder Rights Plan and, if such a plan has been approved, any amendments, restatements or renewals of such plan.
- (e) The Committee will assess any shareholder proposals to be included in the proxy circular prepared in connection with the annual meeting of shareholders and make appropriate recommendations to the Board.
- (f) The Committee will review policies and practices with respect to engagement with shareholders and other stakeholders in Titan.

3. **Business and Ethical Conduct**

- (a) The Committee will:
 - (i) establish and update periodically a Code of Conduct for employees, officers and directors;
 - (ii) review management's monitoring of compliance with such Code of Conduct;

- (iii) oversee Titan's practices with respect to charitable donations, and any charitable donations to be made to an organization with which a director is affiliated will require prior approval by the Committee after consideration of any impact that such donation may have on director independence; and
- (iv) oversee Titan's practices with respect to political donations, if applicable.

4. **Director Orientation and Continuing Education.** The Committee will oversee an orientation program to familiarize new directors with Titan's business and operations, including Titan's reporting structure, strategic plans, significant financial, accounting and risk issues and compliance programs and policies, management and the external auditors. The Committee will also oversee ongoing educational opportunities for all directors.

5. **Board Evaluations**

- (a) The Committee will annually review and make recommendations to the Board for changes to the Board Charter and the position descriptions for the Chair of the Board and other director roles.
- (b) The Committee will conduct annual surveys of directors with respect to their views on the effectiveness of the Board, the Chair of the Board, each committee of the Board and its Chair and the contribution of individual directors.
- (c) The Committee will evaluate the performance of the Chair of the Board, the Chair of each Committee and the performance and contribution of individual directors, having regard for the position descriptions for the Board and Chair of the Board and the results of annual surveys of the directors, attendance at Board and Board committee meetings and overall contribution.
- (d) The Committee will also annually assess the effectiveness of the Board as a whole and each committee of the Board, including this Committee, having regard for the mandate of the Board and the charter of the relevant Board committee, as the case may be, and make recommendations to the Board.

6. **Operations of the Board**

- (a) The Committee will make recommendations respecting succession planning for the Chair of the Board and, in the event of a change in the Chair of the Board, will make recommendations to the Board respecting the appointment of a new Chair of the Board.
- (b) At the first meeting of the Board following each annual meeting of shareholders, the Chair of the Committee will recommend to the Board the allocation of directors to each of the Board committees. Thereafter, when a vacancy occurs at any time in the membership of any Board committee, the Committee will recommend a particular director to the Board to fill such vacancy. In making such recommendations, the Committee will consider (a) the skills and experience of individual Board members and the skill set required for the particular committee; (b) the desire for periodic rotation of membership, subject to the need for a level of continuity on a year-to-year basis; (c) the preferences of individual directors; and (d) diversity.
- (c) The Committee will review from time to time, and at least annually, the charters of the committees of the Board and make recommendations regarding the charters to the Board

and recommend timely changes in the role, size, composition and structure of Board committees.

- (d) The Committee will assess the needs of the Board and make recommendations with respect to rules and guidelines governing and regulating the affairs of the Board, including:
 - (i) the frequency and location of Board and committee meetings;
 - (ii) procedures for establishing meeting agendas and the conduct of meetings; and
 - (iii) the availability, relevance and timeliness of discussion papers, reports and other information required by the Board.

- 7. **Board Independence.** The Committee will monitor and assess the relationship between the Board and management, defining the limits to management's responsibilities and making such recommendations as it may deem necessary with a view to ensuring that the Board is able to function independently of management.

- 8. **Insider Trading and Reporting**
 - (a) The Committee will periodically review and approve any material changes to Titan's insider Trading Policy respecting Titan's securities, including mandatory black-out periods during which directors and senior management of Titan are prohibited from trading in securities of Titan.

 - (b) The Committee will periodically review management's systems and practices for ensuring that all directors and all officers of Titan who are required to do so file insider reports in connection with any trade of securities of Titan or any derivative transaction that results in the effective disposition of the individual's economic interest in a security of Titan within the shortest period of time in which such reports are required to be filed.

- 9. **Disclosure Requirements.** The Committee will annually review and approve the disclosure of Titan's corporate governance practices to be made in the proxy circular prepared in connection with the annual meeting of shareholders, and such other disclosure as may be determined.

- 10. **General.** The Committee will undertake on behalf of the Board such other corporate governance initiatives as may be necessary or desirable to enable the Board to provide effective corporate governance for Titan and to contribute to the success of Titan and enhance shareholder value.

TIDSCHARTER

- 1. **Periodic Review.** The Committee will review and reassess the adequacy of this Charter periodically as it deems appropriate and recommend changes to the Board. The performance of the Committee will be evaluated with reference to this Charter annually.

- 2. **Disclosure.** The Committee will ensure that this Charter is disclosed as deemed necessary and that this Charter or a summary of it that has been approved by the Committee is disclosed in accordance with all applicable securities laws or regulatory requirements.

Last updated: March 2018