

## TITAN MEDICAL INC.

### EQUITY-BASED AWARDS GRANTING POLICY

#### **PURPOSE**

The purpose of this policy (the “**Policy**”) is to create a framework for a process for granting equity-based awards (“**Awards**”) pursuant to Titan Medical Inc.’s (the “**Company**” or “**Titan**”) stock option plan, share unit plan, deferred share unit plan and any other equity-based compensation plans that the Company has in place from time to time (the “**Compensation Plans**”). The board of directors of the Company (the “**Board**”) has adopted this Policy to ensure the integrity and efficiency, as well as the consistency, of the Company’s process and procedures for granting Awards.

#### **GENERAL**

This Policy shall be followed in connection with all issuances of Awards pursuant to the Compensation Plans. All Awards will be made in accordance with applicable laws, the Compensation Plan documents and the charter of the Compensation Committee of the Board (the “**Compensation Committee**”). This Policy may be amended at any time by the Board.

It is the intent of the Policy that Awards be made during open trading windows, consistent with the Company’s insider trading policy (the “**Insider Trading Policy**”), to minimize the risk of grant decisions being made while any employee or member of the Board is in possession of material, non-public information.

#### **AUTHORITY TO GRANT AWARDS**

The Board has determined that the Compensation Committee is best qualified to oversee the administration of the Compensation Plans. Accordingly, all Awards granted by the Company shall be authorized as follows: (i) all Awards granted by the Company to members of the Board and officers (as such term is defined in the *Securities Act* (Ontario)) of the Company shall be made on the recommendation of the Compensation Committee and with approval of the Board, (ii) all Awards granted by the Company to any Compensation Plan participant who is neither a member of the Board nor an officer shall be made with approval of the Compensation Committee or the Chair of the Compensation Committee. In each case, the grant of Awards pursuant to the Compensation Plans shall be made in accordance with, and subject to the terms and conditions of, the applicable Compensation Plan document.

#### **MEETINGS AND WRITTEN CONSENTS**

Recommendations to the Board with respect to Awards and approvals with respect to Awards shall be authorized at a meeting (in person or by video or telephone) of the Compensation Committee or by written resolution signed by all members entitled to vote on the matter. Notwithstanding the foregoing, where the matter requires only the approval

of the Chair of the Compensation Committee, the Chair shall evidence his/her approval by written instrument and with an entry in the minutes of the Compensation Committee.

### **ANNUAL AND QUARTERLY GRANTS**

Recommendations with respect to annual and quarterly grants of Awards to Compensation Plan participants shall be approved at a Compensation Committee meeting.

In advance of the meeting, management shall provide the Compensation Committee with a list of grants to be considered, including each recipient's name, the amount and nature of the recommended award and the vesting schedule.

### **NEW-HIRE, PROMOTIONS AND OTHER GRANTS**

Recommendations with respect to grants of Awards to new hires or for promotions, retention or purposes other than annual, quarterly or other broad-based Company-wide grants shall be approved at regularly scheduled meetings of the Compensation Committee.

In advance of each meeting, management shall provide the Compensation Committee with a list of those individuals for whom management recommends an Award, the amount and nature of the recommended Award, vesting schedule and the reason or basis for the Award (for example, new-hire grants, merit awards, transaction-related awards). No additions to the list of Awards shall be made once the list has been approved by the Compensation Committee.

### **GRANT DATE OF AWARDS**

The grant date of an Award shall be the date on which the Board approves the Award grants unless a subsequent date is specified in the terms of the Award.

The grant date of new-hire, promotion or other Awards shall be the later of the date the Award is approved by the Board and the effective date of the recipient's employment, promotion or recognition, as applicable.

All grant dates shall be specified to occur within an open trading window under the Insider Trading Policy.

### **TIMING OF PUBLIC ANNOUNCEMENTS**

The Company shall not purposely accelerate or delay the public release of material information in consideration of a pending Award grant in order to allow an award recipient to benefit from a more favorable stock price. The Company recognizes, however, that a release of information by the Company in close proximity to an equity grant could create the appearance of an effort to time the announcement to a recipient's benefit, even if no such benefit was intended. Accordingly, management shall advise the Compensation Committee whenever it is aware that material non-public information is planned to be released to the public in close proximity to the grant of an Award.

## **DOCUMENTATION AND ADMINISTRATION**

**Committee Minutes.** Every Award granted by the Company shall be reflected in the minutes of the Compensation Committee at which the recommendation for the Award was approved. The minutes shall include the names of the Award recipients, the number and type of Award granted to each recipient and vesting terms.

**Award Agreements.** All Awards shall be evidenced by a written Award agreement, the form of which shall have been previously approved by the Board or shall be approved by the Compensation Committee.

**Amendments/Modifications to Outstanding Awards.** Amendments or modifications to outstanding Awards must be approved by the Board.

**Grant Documentation.** Compensation Plan participants who receive Awards will be notified promptly and the Awards shall be documented and distributed as soon as practicable following the grant date.

## **INTERPRETATION**

The Compensation Committee is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate or advisable for the administration of this Policy. Any interpretation made by the Compensation Committee shall be final, conclusive and binding.

## **REVIEW OF POLICY**

The Compensation Committee shall review this Policy at least annually and may recommend any modifications to the Board. The Board will determine any changes to be made to this Policy based on the Compensation Committee's recommendations.

## **TRAINING**

All individuals involved in the administration of the Company's Compensation Plans shall undergo periodic training regarding the implementation of this Policy and the material accounting, legal and other issues related to equity-based awards. The training program will be reviewed and implemented by the Company's General Counsel and/or Chief Financial Officer.

**Approved by the Board of Directors: February 2021**