



Majority Voting Policy

This Majority Voting Policy (the “Policy”) applies to the election of directors to the board of directors (the “Board”) of DIRTT Environmental Solutions Ltd. (the “Company”) in uncontested elections at meetings of the shareholders of the Company.

At meetings of shareholders at which directors are to be elected, shareholders will vote in favour of, or withhold from voting for, each nominee separately. If, with respect to any particular nominee, the number of votes cast “withheld” equals or exceeds the number of votes cast “for” the nominee, then for purposes of this Policy the nominee (each, a “Majority Withheld Director”) will be considered not to have received the support of the shareholders, even though duly elected as a matter of corporate law.

A Majority Withheld Director will, immediately following the meeting, tender to the Board his or her resignation from the Board, effective only if and when the Board accepts the resignation. The tender of resignation will be made by delivery of the tender to the Chair of the Board or, if the Chair of the Board is not present, to the chair of the meeting of shareholders, who will promptly provide a copy of the tendered resignation to all members of the Board and the General Counsel of the Company.

The Nominating & Governance Committee of the Board (the “NGC”) will promptly consider the tendered resignation and recommend to the Board whether to accept or reject it. The NGC will recommend that the Board accept the tendered resignation absent exceptional circumstances that warrant the Majority Withheld Director continuing to serve on the Board. In determining whether to recommend acceptance or rejection of the tendered resignation, the NGC will consider all factors it deems relevant, which may include: (i) the Company would not be compliant with corporate or securities law requirements, applicable regulations, stock exchange rules or commercial agreements regarding the composition of the Board as a result of accepting the resignation; (ii) the Majority Withheld Director is a key member of an established, active special committee that has a defined term or mandate, and accepting the resignation of the Majority Withheld Director would jeopardize the achievement of the committee’s mandate; or (iii) majority voting was used for a purpose inconsistent with the policy objectives of the Toronto Stock Exchange related to its majority voting requirement.

In reviewing the NGC’s recommendation, the Board will consider the factors that the NGC considered and such additional information and factors as the Board considers to be relevant. The Board will accept the recommendation of the NGC and otherwise accept the tendered resignation except in situations where exceptional circumstances warrant the Majority Withheld Director continuing to serve on the Board.

A Majority Withheld Director will not participate in any deliberations of the NGC or the Board with respect to his or her resignation, which means, for greater certainty, a Majority Withheld Director will not attend any part of the meeting at which his or her resignation is considered or a related resolution is voted upon. If a Majority Withheld Director must attend the meeting in order to satisfy quorum requirements, then the director must not speak or otherwise participate in any part of the meeting where his or her resignation is considered or a related resolution is voted upon.

Notwithstanding the foregoing, if a majority of the members of the NGC are Majority Withheld Directors, then the NGC will not make a recommendation to the Board and, subject to the provisions hereof, the Board will consider whether to accept the resignations without a recommendation from the NGC.

Not later than 90 days following the date of the shareholders' meeting at which the shareholder vote occurred, the Board will decide whether or not to accept the tendered resignation. Any tendered resignation will be effective when accepted by the Board. Promptly following the Board's decision, the Company will issue a press release either announcing the resignation of the Majority Withheld Director or fully stating the reasons for not accepting the tendered resignation, a copy of which press release must be provided to the Toronto Stock Exchange.

Each director and nominee for election to the Board will be requested to agree to this Policy by tendering to the Chair of the Board an advance, conditional resignation letter, to be effective only if the director becomes a Majority Withheld Director and the Board accepts the resignation. If a Majority Withheld Director does not tender his or her resignation in accordance with this Policy, the Board will not re-nominate the Majority Withheld Director for election.

This Policy does not apply to contested elections in which the number of director nominees for election is greater than the number of director positions on the Board. In contested elections, the directors will be elected by the vote of a plurality of the votes cast.

The Board and the NGC may adopt such procedures as it sees fit to assist in its determinations under this Policy, provided such procedures are not inconsistent with this Policy.