



**NOTICE OF THE MAY 20, 2020  
ANNUAL AND SPECIAL MEETING  
OF SHAREHOLDERS AND  
MANAGEMENT INFORMATION CIRCULAR**

**TO BE HELD AT:**

**600, 4820 Richard Road SW  
Calgary, Alberta  
T3E 6L1  
at 1:30pm**

**Dated: April 3, 2020**

## Letter to Shareholders from the Chair

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April 3, 2020

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Dear Fellow Shareholders,

We are providing this notice of meeting and Management Information Circular in unprecedented and very challenging times. Like all Canadian companies, and in particular those based in Western Canada, Stuart Olson is navigating the global and local impacts of the Coronavirus outbreak and the aggressive supply strategies pursued by oil producers such as Saudi Arabia and Russia. The foregoing factors have significantly impacted our economy, communities, customers, employees and the Company itself. These international events and the resulting domestic impacts continue to create significant uncertainty and deter capital spending not only in the energy industry, which is critical to our success, but also in other markets in which the Company operates. Despite these factors, Stuart Olson has confidence based on its long history in its ability to successfully navigate these significant market challenges and uncertainties.

### Positioning for the Future

The extraordinary events of the first quarter of 2020 come on the heels of yet another challenging year for the Company and its customers, during which time your management team and Board successfully carried out a number of initiatives to adapt and reposition the Company. In 2019, despite external challenges, we held revenues at \$929 million and added \$860 million to backlog, ending the year with healthy backlog of \$1.5 billion. Management implemented significant cost reductions, restructured into a leaner organization, and improved the structure of the balance sheet to maintain liquidity. We refinanced our convertible debentures, secured meaningful and valuable amendments to our revolving credit facility and suspended our quarterly dividend. Also in 2019 in order to optimize liquidity and to manage the short-term and medium-term impacts of the COVID-19 pandemic, Management proactively pursued and, in early 2020 finalized an early settlement on a large project claim. This decision resulted in a write-down to 2019 EBITDA, but improved our balance sheet by providing immediate cash reserves.

Our recently announced seven-year \$400 million contract award to provide MRO services to an existing oil sands customer validates the strategic value of our 2018 acquisition of Tartan Canada Corporation, and demonstrates the confidence that our key customers have in our value proposition, resilience and delivery model. We anticipate following this announcement with more positive developments, as industrial customers look for reliable, efficient multi-trade maintenance providers. In our commercial construction business we remain a key industry participant and continue to increase our presence in markets outside of Alberta. Despite the uncertainty we all face, Stuart Olson still sees opportunities to strengthen its business and its backlog, as we anticipate the construction industry to be a key contributor to Canada's economic health and recovery.

### Board Renewal and Governance

We continue to maintain a highly qualified and diverse Board working on behalf of all shareholders. Our proactive succession planning has improved the diversity of the Board while streamlining it and reducing its number from nine to seven over the past year. Further, five of the seven nominees recommended for election to the Board have joined the Company since August 2018. In addition, after eleven years on the Board, and having served on each of its Committees, including in recent years as Chair of the Corporate Governance and Nominating Committee, Carmen Loberg has tendered his resignation in accordance with the Company's retirement policy, and will not be standing for re-election. On behalf of the Company and the other Board members, I would like to thank Carmen for his many contributions.

## COVID-19 and Public Safety

At Stuart Olson, safety is one of our core values, and one we take extremely seriously. All shareholders receiving the enclosed Notice of Meeting and Information Circular are advised that, at the time of the writing of this letter, due to the COVID-19 pandemic, the Government of Alberta's March 25, 2020 public health order prohibiting gatherings of more than 15 people is in effect. We have chosen to proceed with the meeting as scheduled, even though we do not know whether the prohibition will still be in effect at the time of the meeting. The *Business Corporations Act* (Alberta), applicable securities law and the Amended and Restated Bylaw of the Corporation enable shareholders to be represented at the meeting and to cast their votes by proxy. At the four most recently held meetings of shareholders, over 99% of the shares represented and voted at such meetings have been by proxy, and attendance in person has been in very small numbers. We strongly encourage all shareholders to closely monitor all developments resulting from the pandemic and to take all necessary measures to ensure the safety of themselves and their families, including in the case of our upcoming meeting, to make use of the proxy process.

In closing, the strength of Stuart Olson is and has always been our people. They continue to safely, and efficiently deliver projects while making a positive impact on the businesses and communities we serve.

Regards,



David C. Filmon, Q.C.  
Chair

Vote the form of proxy today or no later than 1:30 p.m. (Mountain Time) on May 15, 2020.

In order to ensure that your proxy is received in time for Stuart Olson's annual & special meeting of shareholders to be held on Wednesday, May 20, 2020 at 1:30 p.m. (Mountain Time), we recommend that you vote in one of the following ways as soon as possible.

VOTING METHOD	BENEFICIAL SHAREHOLDERS If your shares are held with a broker, bank or other intermediary	REGISTERED SHAREHOLDERS If your shares are held in your name and represented by a physical certificate
<b>INTERNET</b>	Visit <a href="http://www.proxyvote.com">www.proxyvote.com</a> and enter your 16-digit control number located on the enclosed voting instruction form.	Visit <a href="http://www.astvotemyproxy.com">www.astvotemyproxy.com</a> and enter your 13-digit control number located on the enclosed form of proxy.
<b>FACSIMILE</b>	<p><b>Canada:</b> Fax your voting instruction form to 905-507-7793 or toll free to 1-866-623-5305 in order to ensure that your vote is received before the deadline.</p> <p><b>U.S.: N/A</b></p>	<p><b>Within North America:</b> Fax your form of proxy toll free to 1-866-781-3111 in order to ensure that your vote is received before the deadline.</p> <p><b>Outside North America:</b> Fax your form of proxy to 1-416-368-2502 in order to ensure that your vote is received before the deadline.</p>
<b>MAIL</b>	Mail your voting instruction form in the reply envelope provided.	<p>Mail your form of proxy to AST Trust Company (Canada), Proxy Department, P.O. Box 721, Agincourt, ON M1S 0A1.</p> <p>Email: Scan and email your form of proxy to <a href="mailto:proxyvote@astfinancial.com">proxyvote@astfinancial.com</a>.</p>

**RECOMMENDATION TO STUART OLSON SHAREHOLDERS**

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS  
THAT SHAREHOLDERS VOTE THE  
ENCLOSED PROXY FORM:**

- FOR** the resolution to fix the number of Directors to be elected at the Meeting at seven and elect the Directors of the Corporation to hold office for the ensuing year;
- FOR** the resolution to appoint Deloitte LLP as the independent Auditor of the Corporation for the ensuing year and to authorize the Board of Directors to fix the compensation of the Auditor;
- FOR** the resolution to reduce the corporate stated capital of the Corporation;

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**STUART OLSON INC.**

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that an annual and special meeting (the “**Meeting**”) of holders (the “**Shareholders**”) of common shares (the “**Common Shares**”) of Stuart Olson Inc. (the “**Corporation**”) will be held at the offices of Stuart Olson, 600, 4820 Richard Road S.W., Calgary, Alberta, T3E 6L1, on Wednesday, May 20, 2020 at 1:30 p.m. (Mountain Time) for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Corporation for the year ended December 31, 2019, together with the report of the Auditor on those statements;
2. to fix the number of Directors to be elected at the Meeting at seven and elect the Directors of the Corporation to hold office for the ensuing year;
3. to appoint Deloitte LLP as the independent auditor (the “**Auditor**”) of the Corporation for the ensuing year and to authorize the Board of Directors to fix the remuneration of the Auditor; and
4. to consider, and if approved to pass a special resolution in the form set forth in the accompanying Management Information Circular to reduce the corporate stated capital; and
5. to transact such other business as may properly come before the Meeting or at any adjournment thereof.

If you are a Shareholder of record on April 3, 2020 you are entitled to vote at the Meeting.

The specific details of all matters proposed to be put before the Meeting are set forth in the Management Information Circular accompanying this Notice of Meeting.

**At the time of the printing of this Notice and the accompanying Management Information Circular, due to the ongoing effects and impacts of the COVID-19 pandemic, the Government of Alberta’s March 25, 2020 public health order prohibiting gatherings of more than 15 people was in full force and effect. The Corporation has chosen to proceed with the Meeting as scheduled, even though it is not known whether the prohibition on gatherings will be in effect at the time of the Meeting. The *Business Corporations Act* (Alberta), applicable securities law and the Amended and Restated Bylaw of the Corporation enable Shareholders to be represented at the meeting and to cast their votes by proxy. At the four most recently held meetings of Shareholders, over 99% of the Common Shares represented and voted at such meetings have been by proxy, and attendance in person has been in very small numbers. Accordingly, the Corporation believes that the Meeting can proceed as scheduled. In order to promote public health and safety, all Shareholders are requested to monitor any applicable public safety orders and are strongly encouraged to ensure their representation and participation at the Meeting by way of proxy.**

It is desirable that as many Common Shares as possible be represented at the Meeting. Please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose, or provide your proxy using the online voting instructions provided. **To be valid, all votes must be cast by telephone or online or the proxies must be received by AST Trust Company (Canada), in each case no later than 1:30 p.m. (Mountain Time) on May 15, 2020, and if the Meeting is adjourned, at least forty-eight (48) hours (excluding weekends and holidays) before the time set for the Meeting to resume, either: (i) by mail at Attention: Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1; (ii) by facsimile at 1-416-368-2502 or toll free at 1-866-781-3111; (iii) by email at [proxyvote@astfinancial.com](mailto:proxyvote@astfinancial.com); or (iv) online at [www.astvotemyproxy.com](http://www.astvotemyproxy.com) and enter the 13 digit control number on your proxy. Late proxies may be accepted or rejected by the Chair of the Meeting in his discretion, and the Chair is under no obligation to accept or reject any particular late proxy.**

**BY ORDER OF THE BOARD OF DIRECTORS**

*“David C. Filmon”*

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**David C. Filmon, Q.C.**  
*Chair*

Calgary, Alberta, Canada  
April 3, 2020

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

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Certain information contained in this management information circular (“**Circular**”) may constitute forward-looking information. All statements, other than statements of historical fact, may be forward-looking information. This forward-looking information includes, without limitation, statements relating to the composition of Stuart Olson’s board, Stuart Olson’s goals, projections for revenue, EBITDA growth and information regarding diversification strategies. Forward-looking information is often, but not always, identified by the use of the words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “propose”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. Forward-looking information is based on the reasonable assumptions, analysis and estimates of management (“**Management**”) of Stuart Olson Inc. (“**Stuart Olson**” or the “**Corporation**”) in respect of its experience and perception of trends, current economic conditions, government policies and expected developments, as well as other factors that it considers to be relevant at the time of making such statements.

By its nature, forward-looking information involves known and unknown risks and uncertainties, which give rise to the possibility that Management’s assumptions, analysis and estimates will be inaccurate. Although Stuart Olson believes that these statements with respect to forward-looking information are reasonable and current, such statements should not be interpreted as a guarantee of future performance or results, and will not necessarily be an accurate indication of whether or not such results will be achieved. Forward-looking information is necessarily subject to a number of factors that may cause actual results to differ materially from those results implied by the expectations suggested by such information. Those factors include, without limitation, those other risks and uncertainties described in the Annual Information Form of the Corporation for the year ended December 31, 2019 in the section with the heading “Risk Factors”, a copy of which can be found under the Corporation’s profile on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) at [www.sedar.com](http://www.sedar.com). Readers are encouraged to consider the foregoing risks and other factors carefully when evaluating the forward-looking information and are cautioned not to place undue reliance upon such information when making investment decisions.

The forward-looking information in this Circular is current to the date hereof and is subject to change following such date. While it may elect to do so, unless required by law, the Corporation undertakes no obligation to update this information to reflect new information or circumstances at any particular time.

## NON-IFRS MEASURES

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Certain measures in this Circular do not have any standardized meaning as prescribed by International Financial Reporting Standards (“**IFRS**”) and, therefore, are considered non-IFRS measures. These non-IFRS measures are commonly used in the construction industry, and by Management, as alternative methods for assessing operating results and to provide a consistent basis of comparison between periods. These measures are not in accordance with IFRS, and do not have any standardized meaning. Therefore, the non-IFRS measures in this Circular are unlikely to be comparable to similar measures used by other entities. Non-IFRS measures include: contract income margin; work-in-hand; backlog; adjusted free cash flow (“**FCF**”); adjusted free cash flow per share; adjusted earnings before interest, taxes, depreciation and amortization (“**adjusted EBITDA**”); adjusted EBITDA margin; long-term indebtedness; indebtedness to capitalization; net long-term indebtedness to adjusted EBITDA; and additional borrowing capacity. Further information regarding these measures can be found in the “Non-IFRS Measures” section of the Corporation’s Management’s Discussion and Analysis for the year ending in December 31, 2019, a copy of which can be found under the Corporation’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).



## STUART OLSON INC. MANAGEMENT INFORMATION CIRCULAR

### SOLICITATION OF PROXIES

#### Solicitation of Proxies by Management

This management information circular (“Circular”) is furnished in connection with the solicitation of proxies by management (“Management”) of Stuart Olson Inc. (“Stuart Olson” or the “Corporation”) for use at the annual and special meeting of the holders (“Shareholders”) of common shares of the Corporation (the “Common Shares”) to be held at the offices of Stuart Olson, 600, 4820 Richard Road S.W., Calgary, Alberta, T3E 6L1, on the 20<sup>th</sup> day of May, 2020 at 1:30 p.m. (Mountain Time), or at any adjournment thereof (the “Meeting”), for the purposes set forth in the accompanying notice of meeting (“Notice of Meeting”). The information contained herein is given as of the 3<sup>rd</sup> day of April 2020 except where otherwise indicated. Enclosed herewith is a form of proxy for use at the Meeting. The Corporation’s financial statements are available under the Corporation’s profile on the System for Electronic Document Analysis and Retrieval (“SEDAR”) at [www.sedar.com](http://www.sedar.com), or on the Corporation’s website at [www.stuartolson.com](http://www.stuartolson.com) under the “Investor Relations” tab at the top of the page. Each Shareholder is encouraged to participate in the Meeting and Shareholders are urged to vote in person or by proxy on the matters to be considered.

#### COVID-19 and Public Health Orders Issued by the Government of Alberta

At the time of the printing of this Circular, due to the ongoing effects and impacts of the COVID-19 pandemic, the Government of Alberta’s March 25, 2020 public health order prohibiting gatherings of more than 15 people was in full force and effect. The Corporation has chosen to proceed with the Meeting as scheduled, even though it is not known whether the prohibition on gatherings will be in effect at the time of the Meeting. The *Business Corporations Act* (Alberta), applicable securities law and the Amended and Restated Bylaw of the Corporation enable Shareholders to be represented at the meeting and to cast their votes by proxy. At the four most recently held meetings of Shareholders, over 99% of the Common Shares represented and voted at such meetings have been by proxy, and attendance in person has been in very small numbers. Accordingly, the Corporation believes that the Meeting can proceed as scheduled. **In order to promote public health and safety, all Shareholders are requested to monitor any applicable public safety orders and are strongly encouraged to ensure their representation and participation at the Meeting by way of proxy.** The following sections contain detailed information on how a Shareholder may be represented at the Meeting and cast such Shareholder’s votes by proxy.

#### Appointment and Revocation of Proxies

The persons named (the “Management Designees”) in the enclosed instrument of proxy (“Instrument of Proxy”) have been selected by the directors of the Corporation (the “Directors” and each a “Director”) and have indicated their willingness to represent as proxy the Shareholder who appoints them. A Shareholder has the right to designate a person or company (who need not be a Shareholder) other than the Management Designees to represent him, her or it at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy, the name of the person to be designated and, or by completing another proper form of proxy and delivering the same to the transfer agent of the Corporation within the time limits described below. Such Shareholder should notify the nominee of the appointment, obtain the nominee’s consent to act as proxy and should provide instructions on how the Shareholder’s Common Shares are to be voted. The nominee should bring personal identification with him or her to the Meeting. In any case, the form of proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached where an attorney executed the proxy form.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is voted or completed and delivered to the Corporation’s transfer agent, AST Trust Company (Canada) in each case no later than 1:30 p.m. (Mountain Time) on May 15, 2020, and if the Meeting is adjourned, at least forty-eight (48) hours (excluding weekends and holidays) before the time set for the Meeting to resume, either: (i) by mail at Attention: Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1; (ii) by facsimile at 1-416-368-2502 or toll free at 1-866-781-3111; (iii) by email at [proxyvote@astfinancial.com](mailto:proxyvote@astfinancial.com); or (iv) online at [www.astvotemyproxy.com](http://www.astvotemyproxy.com) and enter the 13 digit control number on your proxy. Late proxies may be accepted or rejected by the Chair of the Meeting in his discretion, and the Chair is under no obligation to accept or reject any particular late proxy.

A Shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the Shareholder or by his, her or its authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the registered office of the Corporation or with AST Trust Company (Canada) using any of the methods listed in the preceding paragraph, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chair of such Meeting on the day of the Meeting, or any adjournment thereof. In addition, a proxy may be revoked by the Shareholder personally attending the Meeting and voting his, her or its Common Shares.

#### Advice to Beneficial Shareholders

**The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name.** Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to in this Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by Shareholders who appear as registered Shareholders on the records maintained by the Corporation’s registrar and transfer agent will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, not be registered in the Shareholder’s name. Such Common Shares will more likely be registered under the name of the Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for, against or withhold) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy and law requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered Shareholders by the Corporation. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers in Canada now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically prepares a machine-readable voting instruction form, mails the form to Beneficial Shareholders and asks Beneficial Shareholders to return the form to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his, her or its broker, a Beneficial Shareholder may attend the Meeting as proxy holder for the registered Shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxy holder for the registered Shareholder should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.**

All references to Shareholders in this Circular and the accompanying Instrument of Proxy and Notice of Meeting are to registered Shareholders unless specifically stated otherwise.

Stuart Olson will pay for the costs of Broadridge to deliver proxy-related materials to Beneficial Shareholders.

### Voting of Proxies

Each Shareholder may instruct his, her or its proxy how to vote his, her or its Common Shares by completing the blanks on the Instrument of Proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted for or against or withheld from voting (including the voting on any ballot) in respect of each proposed resolution, as the case may be, and where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the Common Shares represented by the proxy will be voted in accordance with such specification on any ballot that may be called for. **In the absence of any such specification as to voting on the Instrument of Proxy, the Management Designees, if named as proxy, will vote in favour of the matters set out therein. In the absence of any specification as to voting on any other form of proxy, the Common Shares represented by such form of proxy will be voted in favour of the matters set out therein.**

**The enclosed Instrument of Proxy confers discretionary authority upon the Management Designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Board of Directors of the Corporation is not aware of any amendments to, variations of, or other matters which may come before the Meeting. In the event that any amendment to, variation of, or other matter comes before the Meeting, the Management Designees will vote in accordance with their judgment.**

### Persons Making the Solicitation

This solicitation is made on behalf of Management. The cost incurred in the preparation and mailing of both the proxy and this Circular, as well as the costs in connection with the solicitation of proxies, will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication or by Directors, officers and employees of the Corporation who will not be directly compensated therefor.

In accordance with National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so.

### Delivery of Meeting Materials – Use of Notice and Access

The Corporation is using the notice and access process as permitted under applicable securities legislation (“**Notice and Access**”) to deliver the Circular to all of the Shareholders. Notice and Access is a cost effective and environmentally friendly method for reporting issuers to communicate with shareholders in connection with meetings of shareholders, as it reduces, paper usage, printing and postage costs.

As required by Notice and Access, the Corporation will make the Circular available on-line for all Shareholders to access electronically. Shareholders will also receive a notice in the mail (the “**Notice**”) that provides instructions on how to access and review the Circular electronically, and how to request and receive a paper copy at no cost to them. Shareholders will also receive by mail, either directly from the Corporation, or, if applicable, from their broker, intermediary or trustee, either an Instrument of Proxy or voting instruction form, that will enable them to vote their Common Shares. Any Shareholders that have previously notified the Corporation that they prefer to receive paper copies of the Circular and other meeting materials shall have the materials mailed to them.

The Circular is available on the System for Electronic Delivery Analysis and Retrieval (SEDAR) website ([www.sedar.com](http://www.sedar.com)) and at [www.meetingdocuments.com/ASTca/SOX](http://www.meetingdocuments.com/ASTca/SOX). Shareholders may request that paper copies of the Meeting materials be sent to them by contacting AST Trust Company (Canada) at 1-888-433-6443 or [fulfilment@astfinancial.com](mailto:fulfilment@astfinancial.com).

Shareholders can request a copy of the Circular up until May 11, 2020. Up to that date, the Circular will be sent, on request, at no charge. Shareholders wishing to receive a paper copy of the Circular should follow the instructions provided in the Notice.

Should any person have questions about the Corporation's use of Notice and Access, such person can contact the Corporation's transfer agent, AST Trust Company (Canada), at 1-888-433-6443.

### Quorum

The by-laws of the Corporation provide that a quorum of Shareholders is present at a meeting of Shareholders if a holder or holders of not less than 25% of the Common Shares entitled to vote at a meeting of Shareholders are present in person or by proxy.

### Voting Shares and Principal Holders Thereof

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares, issuable in series. As at the effective date of this Circular, which is April 3, 2020 (the “**Effective Date**”), the Corporation had 28,193,928 Common Shares issued and outstanding and no preferred shares issued and outstanding.

Only holders of Common Shares of record at the close of business on April 3, 2020 (the “**Record Date**”) are entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held, except to the extent that (a) the holder has transferred the ownership of any of his, her or its Common Shares after the Record Date, and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he, she or it owns the Common Shares, and demands not later than ten (10) days before the day of the Meeting that his, her or its name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote the applicable Common Shares at the Meeting.

To the knowledge of the Directors and the executive officers of the Corporation, as at the Effective Date, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the votes attached to the Common Shares except as set out in the following table:

Name	Type of Ownership	Number of Common Shares Owned, Controlled or Directed at the Effective Date	Percent of Outstanding Common Shares
Alberta Investment Management Co. Edmonton, Alberta	Beneficial	4,767,700 <sup>(1)</sup>	16.9%

**Note:**

(1) Based on written confirmation provided by AIMCo to the Corporation on August 7, 2019 in connection with the September 20, 2019 special meeting of shareholders.

## MATTERS TO BE ACTED UPON AT THE MEETING

If you appoint as your proxy the Management Designees set out in the enclosed Instrument of Proxy, and do not specify how you want your Common Shares to be voted, your Common Shares will be voted FOR each matter set out in the Instrument of Proxy. As of the date hereof, the board of Directors of the Corporation (the “**Board**” or the “**Board of Directors**”) is not aware of any amendments to, variations of, or other matters which may come before the Meeting. In the event of any amendment to, variation of, or other matter coming before the Meeting, the Management Designees will vote in accordance with their judgment.

### A. Financial Statements

The Board of Directors has approved the audited financial statements of the Corporation for the year ended December 31, 2019 and the report of the Auditor thereon, a copy of which has previously been delivered to all registered Shareholders, except those who have asked not to receive it, and to Beneficial Shareholders who have requested it. A copy of the audited financial statements is also available on the Corporation’s website at [www.stuartolson.com](http://www.stuartolson.com) under the “Investor Relations” tab and under the Corporation’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### B. Fix the Number of Directors and the Election of Directors

The Articles of the Corporation provide that the Corporation shall have not less than three (3) and no more than fifteen (15) Directors. Shareholders will be asked to consider and, if deemed advisable, pass, with or without variation, an ordinary resolution fixing the number of Directors to be elected at the Meeting at seven. In order to be effective, an ordinary resolution requires the approval of a majority of the votes cast by the Shareholders who vote in respect of the resolution.

At the Meeting, it will be proposed that seven Directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed. For further information in respect of each of the nominees see the disclosure under the section of this Circular with the heading “About the Nominated Directors”. The following are the names of the proposed nominees for election as Directors:

Gary M. Collins	Raymond D. Crossley	Chad A. Danard	David C. Filmon
Mary C. Hemmingsen	David J. LeMay	Kerry R. Rudd	

All of the nominees have indicated their willingness to serve on the Board. Management knows of no reason why a nominee would be unavailable for election. However, if a nominee is not available to serve at the time of the Meeting, **the proxies held by Management Designees will be voted for another nominee in their discretion unless the Shareholder has specified in his, her or its form of proxy that his, her or its Common Shares are to be withheld from voting in the election of Directors.**

Management and the Board recommend that you vote “FOR” these Director nominees. The Management Designees, if named as proxy, intend to vote the Common Shares represented by any such proxy FOR each of these nominees, unless directed otherwise by a proxy holder, or such authority is withheld.

### C. Appointment of Auditors

The Board and Audit Committee recommend appointing Deloitte LLP as auditor (the “**Auditor**”) for 2020. Deloitte LLP has served as Auditor of the Corporation for the past thirty (30) years. Representatives of the Auditor will be present at the Meeting and will be given the opportunity to answer any questions. **Unless directed otherwise by a proxy holder, or such authority is withheld, the Management Designees, if named as proxy, intend to vote the Common Shares represented by any such proxy in favour of a resolution appointing Deloitte LLP as Auditor of the Corporation for the ensuing year,** to hold office until the close of the next annual general meeting of Shareholders. The Management Designees also intend to vote the Common Shares represented by any such proxy in favour of a resolution authorizing the Board of Directors to fix the compensation of the Auditor.

### D. Reduction of Corporate Stated Capital

#### General

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, adopt, with or without amendments, a special resolution to reduce the corporate stated capital account maintained in respect of the Common Shares by \$150 million (the “**Stated Capital Reduction**”). If approved, the Stated Capital Reduction will be effective as of the last day of the month in which the Meeting occurs (May 31, 2020).

### **Background to, and Reasons for the Stated Capital Reduction**

Under the Business Corporations Act (Alberta) (“**ABCA**”), a corporation is prohibited from taking certain actions, including declaring or paying a dividend, or buying its own shares, if, among other things, there are reasonable grounds for believing that the realizable value of its assets would as a result of the declaration or payment of the dividend or the repurchase of shares be less than the aggregate of its liabilities and stated capital of all classes of shares.

The Corporation proposes to reduce the stated capital of the Common Shares in order to reflect the amount by which the stated capital is not reflective of the realizable value of its assets. In connection with the finalization of the Corporation’s audited financial statements for the year ended December 31, 2019, the Corporation recognized a goodwill impairment write down of its assets in the amount of approximately \$141 million. Accordingly, the Board has determined that in keeping with the principles set forth in the ABCA, it is appropriate to reduce the stated capital. The result will be to provide the Corporation with increased flexibility in order to complete transactions affecting its capital structure, including the ability to make purchases under a normal course issuer bid or other form of issuer bid, pay dividends or complete share redemptions in each case if and when applicable. The proposed Stated Capital Reduction will have no impact on the existing financing arrangements or operations of the Corporation.

### **Certain Canadian Federal Tax Implications**

The following is a summary of certain Canadian federal income tax considerations that are generally applicable to shareholders in respect of the Stated Capital Reduction. This summary is of a general nature only and is not intended to constitute, nor should it be construed to constitute, legal or tax advice to any particular Shareholder. Shareholders are advised to consult their own tax advisors regarding the consequences to them of the Stated Capital Reduction, taking into account their own particular circumstances and any applicable foreign, provincial or territorial legislation.

This summary is based on the current provisions of the *Income Tax Act* (Canada) (the “**Tax Act**”), the regulations promulgated thereunder and the published administrative policies and assessing practices of the Canada Revenue Agency (the “**CRA**”) publicly available prior to the date hereof. This summary also takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Tax Proposals**”) and assumes that all Tax Proposals will be enacted in the form proposed. However, there can be no assurance that the Tax Proposals will be enacted in their current form or at all. Except for the Tax Proposals, this summary does not take into account or anticipate any changes in law or any changes in the administrative policies or assessing practices of the CRA, whether by legislative, regulatory, administrative or judicial decision or action, nor does it take into account or consider any provincial, territorial or foreign tax considerations, which may differ significantly from the Canadian federal income tax considerations described herein.

The Stated Capital Reduction will not result in any immediate Canadian income tax consequences to Shareholders. Since no amount will be paid by the Corporation on the reduction, none of the Shareholders will be deemed to have received a dividend and there will not be any reduction in the adjusted cost base of the Common Shares to the Shareholders as a result of the Stated Capital Reduction. The Stated Capital Reduction will reduce the “paid-up capital” (“**PUC**”) of the Common Shares for purposes of the Tax Act by an amount equal to the reduction of stated capital. The reduction in PUC of the Common Shares may have future Canadian federal income tax consequences to a Shareholder in certain circumstances, including, but not limited to, if the Corporation repurchases any Common Shares, on a distribution of assets by the Corporation or if the Corporation is wound-up.

### **Shareholder Approval**

At the Meeting, Shareholders will be asked to consider the following special resolution confirming the reduction of the corporate stated capital:

“RESOLVED THAT:

1. The stated capital account of the Common Shares shall be reduced by \$150 million, all as more particularly described in the Stuart Olson Inc. management information circular dated April 3 2020;
2. any one director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to the above resolution; and



3. Notwithstanding that this resolution has been passed by the Shareholders of the Corporation, the directors of the Corporation are hereby authorized to and empowered to revoke this resolution, without any further approval of the Corporation's shareholders, at any time if such revocation is considered necessary or desirable.

In order to be passed, the above special resolution must be approved by not less than two-thirds of the aggregate votes cast by Shareholders at the Meeting


Management and the Board recommend that you vote in favour of the resolution approving the reduction of the corporate stated capital. **The Management Designees, if named as proxy, intend to vote the Common Shares represented by any such proxy in favour of this resolution, unless directed otherwise by a Shareholder.**


#### **E. Other Business**

Management does not intend to present any other business at the Meeting and is not aware of changes to the proposed matters or other matters which may be presented for action. If changes or other matters are properly brought before the Meeting, your proxy holder will vote on them using his or her best judgment.


## ABOUT THE NOMINATED DIRECTORS


The following Director biographies describe the nominee and provide information with respect to meeting attendance, equity ownership and public board memberships for each such nominee.


		<p><b>Gary M. Collins</b> Age: 56 Vancouver, British Columbia, Canada Director Since: May 22, 2019 Independent: Yes</p>		<p>Gary M. Collins is a corporate director and a Senior Advisor at Lazard Canada Inc., a financial advisory and asset management firm. Until it was purchased by Essilor International in 2014, Mr. Collins was the President of Coastal Contacts Inc., the world's leading online direct-to-customer retailer of replacement contact lenses and eye glasses. From April 2007 to June 2012 Mr. Collins was Senior Vice President of Belcorp Industries Inc. From October 1991 to December 2004 Mr. Collins was a member of the British Columbia Legislative Assembly and held the portfolio of Minister of Finance from June 2001 to December 2004. Mr. Collins currently serves as a director of Chorus Aviation Inc., Rogers Sugar Inc. and Fiera Capital Corporation. Mr. Collins was previously a director of D-Box Technologies Inc., Liquor Stores of North America and Catalyst Paper Corporation.</p>			
Board/Committee Member During 2019		Meeting Attendance:		Attendance (Total):		Other Public or Notable Board Memberships in Previous Five Years:	
Board Corporate Governance and Nominating Human Resources and Compensation		6 of 6 1 of 1 1 of 1		8 of 8 100%		Chorus Aviation Inc. 2008 – present Rogers Sugar Inc. 2017 – present Fiera Capital Corporation 2018 – present DRI Healthcare Plc 2020 – present D-Box Technologies Inc. 2015 – 2019	
Securities Held (at a price of \$4.98, and \$1.91 per Common Share and DSU as at December 31, 2018 and December 31, 2019, respectively):							
Year	Shares	DSUs	Total Shares and DSUs		Total Market Value of all Securities	Meets Equity Holding Requirements	
December 31, 2019	-	12,687	12,687		\$24,232	(1)	
December 31, 2018	-	-	-		-	-	
<b>Note:</b>							
(1) Mr. Collins has until May 2022 to meet the equity holding requirements.							


		<p><b>Raymond D. Crossley</b> Age: 61 Calgary, Alberta, Canada Director Since: August 30, 2018 Independent: Yes</p>		<p>Mr. Crossley currently serves on the boards of Obsidian Energy Ltd. and Canada West Foundation where he is the board Chair. He is a Member of the Alberta Securities Commission, and is the Chief Financial Officer of the Calgary Health Trust. Mr. Crossley began working at PricewaterhouseCoopers LLP ("PwC") in 1981, became a Partner in 1996 and retired in 2015. He served in various managerial and executive roles during his time with PwC including Managing Partner, Western Canada and Managing Partner of the Calgary office. He also served on the Board of Pure Technologies Ltd. from 2015 until its sale in 2018. Mr. Crossley is an Alberta Chartered Professional Accountant (CPA/CA). He holds the ICD.D designation from the Institute of Corporate Directors. Mr. Crossley graduated from the University of Western Ontario with a Degree in Economics and Political Science.</p>			
Board/Committee Member During 2019		Meeting Attendance:		Attendance (Total):		Other Public or Notable Board Memberships in Previous Five Years:	
Board Audit (Chair) Corporate Governance and Nominating		9 of 9 4 of 4 3 of 3		16 of 16 100%		Obsidian Energy Ltd. 2015 – present Alberta Securities Commission 2018 – present Canada West Foundation 2012 – present Pure Technologies Ltd. 2015 – 2018	
Securities Held (at a price of \$4.98, and \$1.91 per Common Share and DSU as at December 31, 2018 and December 31, 2019, respectively):							
Year	Shares	DSUs	Total Shares and DSUs		Total Market Value of all Securities	Meets Equity Holding Requirements	
December 31, 2019	3,000	26,595	29,595		\$56,526	(1)	
December 31, 2018	-	8,234	8,234		\$41,035	-	
<b>Note:</b>							
(1) Mr. Crossley has until August 30, 2021 to meet the equity holding requirements.							




		<p><b>Chad A. Danard</b> Age: 40 Calgary, Alberta, Canada Director Since: May 22, 2014 Independent: Yes</p>		<p>Mr. Danard is a Senior Managing Director at TriWest Capital Partners, a Calgary-based private equity firm that has raised over \$1.25 billion of committed capital across five funds. Mr. Danard is involved in all aspects of TriWest's investing activities and has participated as a director of a number of current and former TriWest portfolio companies. Prior to joining TriWest in 2005, Mr. Danard worked at Morgan Stanley in the Global Energy and Utility Group in New York and in the Canada Group in Toronto. While at Morgan Stanley, Mr. Danard was involved in a variety of mergers and acquisition-related strategic advisory assignments, equity offerings and both private and public debt financings. He received a Bachelor of Commerce degree (finance concentration) from the Queen's University School of Business, where he graduated as the top ranked student in the program.</p>		
Board/Committee Member During 2019		Meeting Attendance:	Attendance (Total):		Other Public or Notable Board Memberships in Previous Five Years:	
Board		9 of 9	16 of 16	100%	Edgefront Real Estate Investment Trust	2014 – 2015
Audit		4 of 4				
Human Resources and Compensation (Chair)		3 of 3				
Securities Held (at a price of \$4.98, and \$1.91 per Common Share and DSU as at December 31, 2018 and December 31, 2019, respectively):						
Year	Shares	DSUs	Total Shares and DSUs		Total Market Value of all Securities	Meets Equity Holding Requirements
December 31, 2019	51,970	115,775	167,745		\$320,393	Yes
December 31, 2018	47,941	91,786	139,727		\$845,840	Yes

		<p><b>David C. Filmon (Chair)</b> Age: 53 Winnipeg, Manitoba, Canada Director Since: August 30, 2018 Chair Since: May 20, 2019 Independent: Yes</p>		<p>Mr. Filmon currently serves as the Chair of MLT Aikins LLP, one of Western Canada's largest law firms and the fifteenth largest in Canada, and is a Member of the firm's Executive Board and Partner since 1998. He practices in the areas of mergers and acquisitions, corporate finance and securities law with an emphasis on advising public company boards and corporate governance. Mr. Filmon is nationally recognized for his contributions to the legal and business communities, and has extensive board experience. He is the City of Winnipeg's nominee to the Board of CentrePort Canada, where he acts as Chair and serves on a number of private company boards. Mr. Filmon is a member of the Manitoba Bar and received an LLB from Osgoode Hall, York University in Toronto. He also holds a B.Comm. (Hons.) Degree from the University of Manitoba, I.H. Asper School of Business.</p>		
Board/Committee Member During 2019		Meeting Attendance:	Attendance (Total):		Other Public or Notable Board Memberships in Previous Five Years:	
Board		9 of 9	13 of 13	100%	CentrePort Canada	2014 – present
Audit <sup>(2)</sup>		2 of 2				
Human Resources and Compensation <sup>(2)</sup>		2 of 2				
Securities Held (at a price of \$4.98, and \$1.91 per Common Share and DSU as at December 31, 2018 and December 31, 2019, respectively):						
Year	Shares <sup>(1)</sup>	DSUs	Total Shares and DSUs		Total Market Value of all Securities	Meets Equity Holding Requirements
December 31, 2019	58,000	79,002	137,002		\$261,674	<sup>(3)</sup>
December 31, 2018	-	13,602	13,602		\$67,738	-
<b>Notes:</b>						
(1) Held through DCFLC Holdings Inc., a wholly-owned private company.						
(2) Mr. Filmon was elected as Chair on May 20, 2019. At that time he became <i>ex officio</i> member of each committee and began attending all committee meetings.						
(3) Mr. Filmon met the equity ownership requirements in 2019 as a member of the Board and now has until May 20, 2022 to meet them as Chair.						

		<p><b>Mary C. Hemmingsen</b> Age: 56 Belcarra, British Columbia, Canada Director Since: November 30, 2018 Independent: Yes</p>		<p>Ms. Hemmingsen serves on the Board of Bonavista Energy Corporation where she is a member of the Audit Committee. She is on the advisory board for InstarAGF Asset Management Inc., and is the Board Chair of Trace Water Solutions Ltd. She is an Executive Advisor to a number of energy companies regarding their strategy, business development and project development activities. Previously, Ms. Hemmingsen was an Executive and Partner serving as Executive Vice President and Chief Financial Officer for North West Innovation Works, a multinational partnership committed to building large scale clean-tech facilities. Ms. Hemmingsen served as KPMG Canada Partner, Canadian Power and Utilities Lead and KPMG's Global Head Gas and LNG, where she provided strategic advice and support for market and project development, including EPC contracting, to global and regional energy businesses. She was also formerly Senior Vice President Business Development for Brookfield Power and Utilities. Ms. Hemmingsen is a British Columbia based Chartered Professional Accountant (CPA). Ms. Hemmingsen completed the Harvard Business School Executive Management Program and earned a Bachelor of Business Administration Degree from Simon Fraser University.</p>			
Board/Committee Member During 2019		Meeting Attendance:		Attendance (Total):		Other Public or Notable Board Memberships in Previous Five Years:	
Board Audit Health, Safety and Environment		9 of 9 4 of 4 4 of 4		17 of 17 100%		InstarAGF Asset Management Company Trace Water Solutions Bonavista Energy Corporation 2017 – present 2018 – present 2019 – present	
Securities Held (at a price of \$4.98, and \$1.91 per Common Share and DSU as at December 31, 2018 and December 31, 2019, respectively):							
Year	Shares	DSUs	Total Shares and DSUs		Total Market Value of all Securities	Meets Equity Holding Requirements	
December 31, 2019	-	18,796	18,726		\$35,900	<sup>(1)</sup>	
December 31, 2018	-	927	927		\$4,616	-	
<b>Note:</b>							
<sup>(1)</sup> Ms. Hemmingsen has until November 30, 2021 to meet the equity ownership requirements.							

		<p><b>David J. LeMay</b> Age: 52 Calgary, Alberta, Canada Director Since: June 1, 2013 Independent: No</p>		<p>Mr. LeMay was appointed President &amp; Chief Executive Officer and a Director of the Corporation effective June 1, 2013. Prior thereto Mr. LeMay served as President &amp; Chief Operating Officer from July 2012 to May 31, 2013. Previously, Mr. LeMay was President of Churchill Services Group (now Stuart Olson Industrial Inc.), which provides integrated products and services on behalf of the Corporation's Industrial Services segment. Mr. LeMay has also served as President and COO of Laird Electric Inc., one of the Corporation's subsidiaries. During his 25 years in the construction industry he has been involved in all aspects of the field from estimating through to project and operational management. Mr. LeMay is a licensed construction electrician and has an MBA from Queens University in Kingston, Ontario, which he obtained while leading Churchill Services Group as President. He is also a board member of Nilex Inc. (a private geotextile company), a member of the Young Presidents Organization and sits on an industry and Calgary-based not-for-profit board.</p>			
Board/Committee Member During 2019		Meeting Attendance:		Attendance (Total):		Other Public or Notable Board Memberships in Previous Five Years:	
Board		9 of 9		9 of 9 100%		None	
Securities Held (at a price of \$4.98, and \$1.91 per Common Share and DSU as at December 31, 2018 and December 31, 2019, respectively):							
Year	Shares	DSUs	Total Shares and DSUs		Total Market Value of all Securities	Meets Equity Holding Requirements <sup>(1)</sup>	
December 31, 2019	158,112	3,754	161,866		\$309,164	Yes	
December 31, 2018	134,768	3,517	138,286		\$813,664	Yes	
<b>Note:</b>							
<sup>(1)</sup> Mr. LeMay has met the equity holding requirements for executives. See the section of this Circular with the heading "Executive Compensation Discussion and Analysis of Directors – Executive Equity Ownership Guidelines" for further details on Mr. LeMay's equity holdings.							

	<b>Kerry R. Rudd</b> Age: 64 Edmonton, Alberta, Canada Director Since: May 20, 2019 Independent: Yes		Kerry Rudd is the former CEO of the Associated Engineering Group of companies, and retired from full time employment with the Company in 2019. Associated was established in Edmonton more than 70 years ago as a Canadian consulting company, which now provides a broad range of services including planning, engineering, environmental science, landscape architecture, project management, and asset management. Mr. Rudd joined Associated Engineering in 1982 as a design and project engineer. Mr. Rudd took on more responsibility as he moved up in the organization, which included Group Manager and General Manager before becoming the President & CEO in 2006. Mr. Rudd graduated with a B. Sc. (Hons) degree in civil engineering from Southampton University in 1977. He is a registered Professional Engineer in British Columbia. Mr. Rudd is also a Charter Engineer and Fellow of the Institution of Civil Engineers headquartered in London, England.		
	<b>Board/Committee Member During 2019</b>	<b>Meeting Attendance:</b>	<b>Attendance (Total):</b>		<b>Other Public or Notable Board Memberships in Previous Five Years:</b>
Board Health, Safety and Environment (Chair) Human Resources and Compensation	6 of 6 4 of 4 3 of 3	13 of 13	100%	-	-
<b>Securities Held (at a price of \$4.98, and \$1.91 per Common Share and DSU as at December 31, 2018 and December 31, 2019, respectively):</b>					
<b>Year</b>	<b>Shares</b>	<b>DSUs</b>	<b>Total Shares and DSUs</b>	<b>Total Market Value of all Securities</b>	<b>Meets Equity Holding Requirements</b>
December 31, 2019	-	20,301	20,301	38,775	(1)
December 31, 2018	-	-	-	-	
<b>Note:</b> (1) Mr. Rudd has until May 2022 to meet the equity holding requirements.					

### Skills and Experience of the Nominated Directors

The Corporation believes that a board of directors with a diverse set of skills is better able to oversee the wide range of issues that arise in a company of Stuart Olson's size and complexity. The following matrix illustrates the overall experience of the nominated Directors in a variety of categories that are important to Stuart Olson's business. It also identifies which skills the Board would ideally possess and which will be considered when Stuart Olson recruits new Directors and proposes changes to the composition of the Board.

Name of Nominee	Independent	Financial Literacy	Operational Expertise	Public Company Board	Executive Compensation	Corporate Governance	Capital Markets	Health, Safety and Environment Management	Risk Management	Government and Public Affairs	Oil and Gas Industry	Construction / Engineering Industry	Legal
Gary M. Collins	√	√		√	√	√	√	√		√			
Raymond D. Crossley	√	√		√	√	√	√		√		√		
Chad A. Danard	√	√		√	√	√	√		√		√		
David C. Filmon	√	√		√	√	√	√			√			√
Mary C. Hemmingsen	√	√		√	√	√	√	√	√	√	√	√	
David J. LeMay		√	√		√		√	√	√		√	√	
Kerry R. Rudd	√	√	√		√	√		√	√			√	

#### Additional Disclosure Relating to Director Nominees

No nominated Director has, within the 10 years prior to the date of this Circular, been a director or executive officer of any company that (i) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for more than 30 consecutive days, (ii) was subject, after the proposed Director ceased to be a director or executive officer, to a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for more than 30 consecutive days that resulted from an event that occurred while that person was active in the capacity of director or executive officer, or (iii) during the tenure of the Director or executive officer or within one year of the Director or executive officer ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets except as set forth below:

Director	Entity	Description
Chad A. Danard	Innova Global Inc.	Mr. Danard was appointed to the boards of directors of Innova Global Inc. and certain of its subsidiaries on December 20, 2018. He ceased being a director of Innova Global Inc. and such subsidiaries on March 31, 2019. Innova Global Inc. and certain of its subsidiaries were placed into receivership on April 1, 2019.

No nominated Director has, within 10 years prior to the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director.

## ABOUT THE BOARD OF DIRECTORS

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### The Board

The Board has assumed responsibility for the stewardship of the Corporation. The Board is elected by the Shareholders, or in some cases, Directors are appointed between meetings of Shareholders in accordance with the articles of the Corporation. The primary responsibility of the Board is to supervise the management of the business and affairs of the Corporation. The members of the Board fulfil their responsibilities by delegating authority to Management to conduct the day-to-day business of the Corporation, preparing for and attending regularly scheduled Board meetings, through participation in meetings of the Board's Committees (the "**Committees**" and each a "**Committee**") and actively pursuing education about the business, its markets, its competitive landscape and its stakeholder interests. At meetings of the Board, Directors receive and review reports prepared by Management on the business, affairs and financial performance of the Corporation. The Board also receives periodic updates as to general developments and trends in the industry and on matters of specific concern to the Board. Questions and issues of strategic importance or impact on the Corporation or its operations are brought forward by Management for the review, consideration and input of the Board prior to any decision being made. All Committee recommendations are reviewed and, if considered appropriate, approved by the Board.

The Board met nine times during the year ended December 31, 2019. Of these meetings, five were held in person and four were held by teleconference. Board members also held a number of informal discussions by teleconference throughout the year, followed in some cases by the passing of resolutions by round robin.

The Board has a written mandate (the "**Board Mandate**"), which it reviews and approves annually. A copy of the Board's Mandate is attached as Schedule "A" to this Circular. The Board and the Human Resources and Compensation Committee have developed a written position description and objectives for the President and Chief Executive Officer. This position description is reviewed by the Corporate Governance and Nominating Committee on a periodic basis and updated accordingly.

### Chair

The primary responsibility of the Chair of the Board is to provide leadership to the Board to enhance overall board effectiveness. The Board has developed a written position description for the Chair. This written position description is reviewed periodically by the Board and, if necessary, updated accordingly. The responsibilities of the Chair include:

- Acting as an advisor to the President and Chief Executive Officer of the Corporation and as a communication link between the Board and Management through the President and Chief Executive Officer.
- Establishing procedures to govern the Board's work including the location and time of meetings of the Board and the procedures to be followed with respect to meetings of the Board, including determining who may be present at such meetings in addition to the Directors and Corporate Secretary.
- Ensuring the Board has adequate resources, especially by way of full, timely and relevant information, to support its decision-making requirements.
- Working with the Chairs of the Board Committees to coordinate the schedule of meetings for such Committees.
- Ensuring that delegated Committee functions are carried out and reported to the Board.
- Attending, as required, all meetings of Board Committees.
- Meeting periodically with the President and Chief Executive Officer of the Corporation, the Chair of the Corporate Governance and Nominating Committee and the Corporate Secretary to review governance issues including the level of communication between Management and the Board.
- Carrying out such other duties as may be reasonably requested by the Board as a whole, depending on its evolving needs and circumstances.

## Board Committee Composition

The Board has an Audit Committee, a Corporate Governance and Nominating Committee, a Human Resources and Compensation Committee (the “HRCC”) and a Health, Safety and Environment Committee. The Board of Directors does not have an Executive Committee because the Board believes that its members and the members of its Committees are responsive enough to address important issues as they arise. The memberships of each of the Committees are described below:

Name of Director	Audit Committee	Corporate Governance & Nominating Committee	Health, Safety & Environment Committee	Human Resources & Compensation Committee
Gary M. Collins		√		√
Raymond D. Crossley	√ (Chair)	√		
Chad A. Danard	√			√ (Chair)
David C. Filmon <sup>(1)</sup>	*	*	*	*
Mary C. Hemmingsen	√		√	
Carmen R. Loberg <sup>(2)</sup>		√ (Chair)	√	√
Kerry R. Rudd			√ (Chair)	√

### Notes:

- (1) Mr. Filmon was a member of the Audit Committee and the Human Resources and Compensation Committee until his appointment as Chair of the Board on May 20, 2019. Thereafter he became *ex officio* member of each committee.
- (2) In accordance with the Corporation’s Director Retirement Policy, Mr. Loberg will retire at the conclusion of the Meeting.

## Committee Chair and Positions Descriptions

The Board has approved a specific position description for the Chair of the Audit Committee, but has not approved a position description for the Chairs of the other Committees. Instead, the Board delineates the roles and responsibilities of the Chair of each other Committee pursuant to the general Committee Chair responsibilities set out in the Board’s Standing Committees of the Board General Terms of Reference, which provides, among other things, that the Chair of each Committee will: (a) provide leadership to enhance the effectiveness of the Committee; (b) ensure that the responsibilities and duties of the Committee, as outlined in its terms of reference, are well understood by the Committee members and executed as effectively as possible; (c) foster ethical decision-making by the Committee and its individual members in accordance with the Corporation’s Director Code of Ethics; (d) ensure that the Committee meets in accordance with the frequency outlined in the applicable terms of reference, any specific guidelines in the Committee’s terms of reference, and as many additional times as may be necessary to carry out its duties effectively; (e) establish the agenda for each Committee meeting together with the Chair of the Board, the Corporate Secretary and members of Management, as appropriate; (f) chair all meetings at which he or she is present; (g) ensure there is sufficient time during Committee meetings to discuss fully the agenda items and facilitate discussion with a view to bringing matters to resolution as required; (h) encourage Committee members to ask questions and express viewpoints; (i) ensure that the Committee meets on a regular basis without any member of Management; (j) regularly report Committee activities to the Board; (k) encourage presentations from Management, as appropriate, to support the work of the Committee; and (l) carry out other appropriate duties and responsibilities as delegated by the Committee.

## Audit Committee

The Audit Committee is responsible for approving, maintaining, evaluating, advising and making recommendations on matters affecting internal and external audits, financial reporting and accounting control policies and practices of the Corporation. The Audit Committee has a policy which mandates regular *in camera* meetings with the external Auditor without members of Management being present. The Audit Committee also conducts regular *in camera* meetings with the Corporation’s internal auditor and separately with Management. Audit Committee information as required by National Instrument 52-110 *Audit Committees (“NI 52-110”)* is contained in the Corporation’s Annual Information Form for the financial year ended December 31, 2019 under the heading “Audit Committee”. The Audit Committee Terms of Reference are attached as a schedule to the Corporation’s Annual Information Form, which is available under the Corporation’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

All of the members of the Audit Committee are independent. See the section of this Circular with the heading “About the Board of Directors – Director Independence” for further details. All of the members of the Audit Committee are also considered to be “financially literate” as required by the Canadian Securities Administrators.



### Corporate Governance and Nominating Committee

The function of the Corporate Governance and Nominating Committee is to oversee the corporate governance practices of the Corporation, including Board practices and performance, and to make recommendations with respect to nominating new Directors to the Board. These responsibilities include:

- Assessing the requirements for membership on the Board, including in relation to Board diversity; maintaining a roster of candidate Directors; and managing the process for nominating candidates for Board and Committee membership;
- Assessing and making recommendations regarding Board effectiveness and overseeing the processes for orientation, evaluation and continuing education of Directors, Committee Chair and the Chair of the Board;
- Ensuring processes and procedures are in place to achieve timely and appropriate compliance with all public company regulatory requirements; assessing the recommendations of the Toronto Stock Exchange (the “TSX”) and other regulatory bodies to consider and adopt those recommendations which are appropriate for, and will be of benefit to, the stakeholders of the Corporation; and
- Reviewing and monitoring governance practices of the Board and Management with a view to enhancing the Corporation’s performance.

All of the members of the Corporate Governance and Nominating Committee are considered by the Board to be independent. See the section of this Circular with the heading “About the Board of Directors – Director Independence” for further details.

### Human Resources and Compensation Committee

The HRCC is responsible for assisting the Board in fulfilling its responsibilities by: (a) reviewing and making recommendations on its findings and conclusions on matters relating to the compensation of the members of the Corporation’s executive team and the Directors in the context of the business and strategic plans and competitive environment of the Corporation; (b) assessing the risk of the design of the Corporation’s compensation policies and practices; (c) conducting/assisting in the regular performance reviews/appraisals of the President and Chief Executive Officer and other members of the executive team; and (d) reviewing appropriate succession plans for senior officers.

All of the members of the HRCC are independent. See the section of this Circular with the heading “About the Board of Directors – Director Independence” for further details.

### Health, Safety and Environment Committee

The function of the Health, Safety and Environment Committee is to assist the Board in fulfilling its oversight responsibilities with respect to the Corporation’s health, safety and environmental programs. These responsibilities include:

- Reporting to the Board on relevant matters related to the health, safety and environmental programs of the Corporation;
- Ensuring that there is an appropriate process in place to facilitate the identification of the various health, safety and environmental risks that may arise from the Corporation’s operations and the possible resulting consequential risks to the Corporation, its subsidiaries and its affiliates and their respective directors, officers and employees;
- Assessing whether the Corporation’s health, safety and environmental policies are effective, properly implemented and comply with applicable legislation and industry standards;
- Reviewing corporate health, safety, environmental activities and performance, including instances of contravention or non-compliance;
- Reviewing the Corporation’s control and response plans to the identified health, safety and environmental risks and assessing the sufficiency of resources to operate the Corporation’s health, safety and environmental programs;
- Reviewing the Corporation’s method of communicating (internally or externally) health, safety and environmental policies, practices and procedures;

- Reviewing the Corporation's control and response plans to identified health, safety and environmental risks;
- Ensuring that appropriate reporting procedures are established relating to health, safety and environmental matters by Management to ensure adequate reports are made to the Committee and/or the Board on a regular basis; and
- Reviewing insurable risks related to health, safety and environmental issues and evaluating cost/insurance benefits associated with those risks.

All of the members of the Health, Safety and Environment Committee are independent. See the section of this Circular with the heading "About the Board of Directors – Director Independence" for further details.

### **Orientation and Continuing Education**

The Board has a policy regarding the orientation and continuing education of its Directors. This policy describes an orientation program for new Directors in regards to the role of the Board and its Committees, provides an overview of the business and the corporate strategy of the Corporation and provides information on the particular role of the individual Directors. The policy also outlines a framework for continuing education of Directors in regards to corporate governance, business issues and personal development.

The orientation program for new Directors is facilitated by existing members of Management and the Board. All new Directors are provided with a Directors' manual which includes, relevant materials such as the Corporation's most recent significant public disclosure documents, current strategic plan, budget documents, minutes from recent Committee and Board meetings, the articles of incorporation and bylaws of the Corporation, copies of key corporate policies, each Committee's terms of reference and details of the directors and officers insurance. This manual is updated on an ongoing basis. Prior to, or shortly after joining the Board, each new Director has the opportunity to meet with the heads of the Corporation, and to meet with the Corporation's independent external Auditor.

Directors are regularly updated by Management on the Corporation's activities and operations. There are a number of regularly scheduled Committee and Board meetings where topics for presentation and discussion include among others, financial and operational reviews; public disclosure; safety matters; legal claims and litigation; acquisition and divestiture opportunities; strategic planning; investor relations; internal audit matters; and succession planning. Typically, Board materials include information relating to current regulatory, accounting and financial issues and the Directors normally discuss such issues at the Board and Committee level. As appropriate, the independent external Auditor, independent compensation consultants, legal counsel, economists or investment banking professionals may be invited to attend a portion of a Board or Committee meeting to make a presentation on a specific topic for the education of the Board or one or more of its Committees.

Meetings are sometimes held at different locations in order to help the Directors learn more about their oversight responsibility for the Corporation's overall operations, with a particular focus on the health, safety and environmental policies impacting the Corporation and its stakeholders. Board members are also invited to visit work sites and attend office tours of other locations managed or operated by the Corporation. These tours and site visits typically arise in connection with meetings of the Health, Safety and Environment Committee. In 2019 the Board completed a tour at one of the Buildings Group's major projects.

The Corporation has an approved policy of full Board member enrolment with the Institute of Corporate Directors and pays the membership dues for each Director. The Institute of Corporate Directors provides relevant educational publications and learning opportunities for Board members. The Corporation also has an approved policy of contributing financial resources to any education courses for any members of the Board relating to corporate governance, financial literacy, risk management or other relevant matters.

### **Policies Regarding Boardroom and Executive Diversity**

The Board strongly supports the principle of boardroom and executive diversity, of which gender is one important aspect. The aim of the Board and the Corporate Governance and Nominating Committee is to have a broad range of approaches, backgrounds, skills and experience represented on the Board and to make appointments on merit and against objective criteria, including diversity. Board and Committee members engaged in nominations are to conduct searches for potential nominees so as to put forward a diverse range of candidates. In 2018, at the recommendation of the Corporate Governance and Nominating Committee, the Board passed a Board diversity policy the details of which are provided below.



The Board is currently comprised of one female Director (12.5%) and seven male Directors (87.5%). Upon completion of the Meeting and assuming that all nominees will have been elected, the Board will be comprised of one female Director (14.3%) and six male directors (85.7%). With respect to executive officer positions, the Corporation has one woman (20%) and four men (80%).

#### **Board Retirement Policy**

The Board has implemented a formal policy which requires that Directors tender their resignations to the Chair of the Corporate Governance and Nominating Committee and the Chair of the Board upon reaching the age of 70. Such resignation is effective on the date of the next meeting at which the Shareholders will be asked to elect Directors. The tendered resignation is then discussed among the members of the Corporate Governance and Nominating Committee, which then makes a recommendation to the full Board in respect thereof. The full Board will then meet *in camera* without the Director in question being present and will make a decision as to whether to accept the resignation or reject the resignation and ask the Director to remain on the Board.

#### **Term Limits**

The Board has not adopted term limits for its Directors, but does have a retirement policy to encourage Board renewal.

#### **Board Diversity Policy**

The Board diversity policy was adopted in 2018 as a means of ensuring that the Corporation continues to benefit from a wide variety of perspectives, background and expertise of Board members. The Board has developed a wide range of diversity criteria, including skill, knowledge, industry experience, education, regional experience and personal characteristics such as gender, ethnicity and age. The Corporate Governance and Nominating Committee is responsible to consider all aspects of diversity when recruiting and evaluating potential Director nominees. In making recommendations to the Board, the Corporate Governance and Nominating Committee will continue to have, as its primary concern, the selection of the best candidates available, but will have due regard to the benefits of diversity. The Board has committed that, based on its current size, it will seek at all times to have at least one female Director, while continuously working to increase diversity of its candidate pool and membership. The Corporate Governance and Nominating Committee will, on an annual basis, assess diversity on the Board, and consider whether to recommend further measures to increase diversity.

#### **Director Performance Assessment**

The Corporation has formal, informal and self-performance evaluation processes for its Directors. The Corporate Governance and Nominating Committee has oversight responsibility for this process, which includes: (a) an annual verbal or written assessment of the Chair of the Board by each Director; (b) periodic completion of a Board and Board Committee performance assessment by each Director; (c) an annual verbal discussion between each Director and the Chair of the Corporate Governance and Nominating Committee or the Chair of the Board; and (d) an annual review of the results of the performance assessments by both the Corporate Governance and Nominating Committee and the full Board. The Corporate Governance and Nominating Committee considers the results from the performance evaluation process when considering Board renewal.

#### **Nomination of Directors**

The Corporate Governance and Nominating Committee, which is comprised entirely of independent Directors, is responsible for developing and updating a long-term plan for the composition of the Board that takes into consideration the current strengths, competencies, skills and experience of the Board members, retirement dates and the strategic direction of the Corporation. In fulfilling its mandate, the Committee undertakes on an annual basis an examination of the size of the Board, with a view to determining the impact of the number of Directors, the effectiveness of the Board, and recommends to the Board, if necessary, a reduction or increase in the size of the Board. In this regard, the Corporate Governance and Nominating Committee is responsible for: (a) determining the criteria, profile and qualifications for new nominees to fill vacancies on the Board; (b) identifying, interviewing and recruiting such new nominees as may be required; and (c) recommending to the Board any new nominees to be nominated for election at the annual general meeting of Shareholders.

### **Majority Voting Policy**

The Board implemented a majority voting policy in 2012. Under this policy, a Director who is elected in an uncontested election with more votes withheld than cast in favour of his or her election will be required to tender his or her resignation to the Chair of the Board. The resignation will be effective when accepted by the Board. The Corporate Governance and Nominating Committee will consider the resignation and make its recommendation to the Board on whether the resignation should be accepted. The Board expects that resignations will be accepted unless there are extenuating circumstances that warrant a contrary decision. The Board will announce its decision via press release within 90 days of the meeting at which the election was held. Subject to any corporate law restrictions, the Board may either leave any resultant vacancy unfilled until the next annual Shareholders' meeting or fill the vacancy through the appointment of a new Director whom the Board considers to merit the confidence of Shareholders or call a special meeting of Shareholders to fill the vacant position or positions.

### **Director Independence**

The Corporation has incorporated into its Director selection and analysis process the independence requirements set out in National Instrument 58-101 *Disclosure of Corporate Governance Practices* and NI 52-110. The Corporation typically conducts an annual independence evaluation of each of its Directors immediately prior to the release of the Corporation's audited financial results. Each of the Director nominees meets those regulatory standards governing independence and is considered by the Board to be independent, with the exception of Mr. LeMay due to his being the President and Chief Executive Officer of the Corporation. All of the members of the Committees are independent including the Chair of the Board, David Filmon.

### **Board Access to Senior Management**

Board members have complete access to Management, subject to reasonable advance notice to the Corporation and reasonable efforts to avoid disruption to the Corporation's business and operations. These meetings are also facilitated as part of at least two gatherings each year to which both the Directors and Management are invited.

### **Independent Judgement**

All Board members are expected to exercise independent and reasoned judgement on all matters. In accordance with applicable law, when a conflict of interest arises that involves a Director, that Director is required to disclose the conflict of interest and refrain from voting and in some cases, deliberating on the matter in question. In addition, the Board has directed that the Corporate Governance and Nominating Committee monitor conflicts of interest. Any transaction that may give rise to a conflict of interest must be reviewed by the Corporate Governance and Nominating Committee.

### **Interlocking Directorships and Number of Boards**

There are no interlocking directorships among the nominees to the Board. The Corporation does not have a policy regarding interlocking directorships nor does it limit the number of Boards on which a Director may sit; however, the Corporate Governance and Nominating Committee regularly monitors the number of public company Boards on which each Director sits and reports to the Board annually if it considers any Director to be over boarded. Currently the Corporation does not consider any of its Directors to be over boarded.

### **Ethical Business Conduct**

The Board has developed a written Director Code of Ethics that is overseen by the Corporate Governance and Nominating Committee. The code addresses conflict of interest, use of corporate assets, confidentiality and compliance with laws and regulations. The code also describes a process to disclose any potential conflicts of interest and to ensure independent judgment regarding Board discussions and decision making. If the Board is making decisions that could give rise to a conflict of interest with respect to a particular Director, then that Director must disclose his or her conflict, withdraw from deliberations altogether and must not vote on any motion pertaining to the issue. A copy of this code has been filed under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com). A paper copy of the Code of Ethics may be obtained by contacting the Corporation's Vice President, General Counsel and Corporate Secretary at 600, 4820 Richard Road SW, Calgary, Alberta, T3E 6L1.

The Board has also approved a written Code of Business Conduct and Ethics for Stuart Olson's employees and a corporate-wide Whistleblower Policy. This code and policy are comprehensive and address issues such as unethical behaviour and unprofessional conduct in addition to financial and accounting matters.

## Meeting Attendance

Regular Board and Committee meetings are scheduled at least one year in advance in order to optimize attendance. Attendance is expected for all Board and Committee meetings. Members of Management and certain other outside advisors are invited to join Board and Committee meetings when appropriate. All Directors attend the Audit Committee meetings and have a standing invitation to attend all other Committee meetings, regardless of membership. Mr. Bellstedt, as Chair of the Board, attended 100% of meetings of the Committees until his retirement. Since his appointment as Chair in 2019, Mr. Filmon has attended 100% of the Committee meetings.

Non-attendance at Board and Committee meetings is rare, and usually occurs when either an unexpected commitment or emergency arises, or, for newly appointed Directors, there is an unavoidable prior scheduling conflict with a meeting. Directors are generally provided with meeting materials several days in advance of meetings. Board and Committee members are also expected to adequately prepare prior to all meetings and contribute effectively to Board and Committee discussions.

The following table provides the record of attendance by each Director at required meetings of the Board and its Committees during the financial year ended December 31, 2019:

Director Name	Board Meetings	Audit Committee Meetings	Corporate Governance & Nominating Committee Meetings	Human Resources & Compensation Committee Meetings	Health, Safety & Environment Committee Meetings	% Attendance
Albrecht W.A. Bellstedt <sup>(1)</sup>	3 of 3	*	*	*	*	100
Gary M. Collins <sup>(2)</sup>	6 of 6		3 of 3	1 of 1		100
Raymond D. Crossley	9 of 9	4 of 4	3 of 3			100
Chad A. Danard	9 of 9	4 of 4		3 of 3		100
David C. Filmon <sup>(3)</sup>	9 of 9	2 of 2	*	2 of 2	*	100
Mary C. Hemmingsen	9 of 9	4 of 4			4 of 4	100
David J. LeMay	9 of 9					100
Carmen R. Loberg	9 of 9		3 of 3	3 of 3	4 of 4	100
Ian M. Reid	8 of 9		2 of 3	2 of 3	4 of 4	84
Kerry R. Rudd <sup>(2)</sup>	6 of 6			1 of 1	2 of 2	100

### Notes:

- (1) Mr. Bellstedt retired from the Board May 20, 2019. Prior to his retirement as Chair, he was an *ex officio* member of each committee and attended every committee meeting.
- (2) Mr. Collins and Mr. Rudd joined the Board on May 20, 2019. Attendance is reported from that date.
- (3) Reported attendance is for Committee Meetings for the period prior to Mr. Filmon's appointment as Chair on May 20, 2019. As Chair, he is an *ex officio* member of each committee and attended every committee meeting after being appointed Chair.

## In Camera Sessions

*In camera* sessions without Management and non-independent Directors are held at each regularly scheduled Board and Committee meeting. At each other meeting of the Board, the Directors determine whether or not there is a reason to hold a session without Management present. The Chair of the Board of Directors or the Chair of the particular Committee, as the case may be, presides over these sessions and informs Management about what was discussed and if any action is required.

## COMPENSATION OF DIRECTORS

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### Philosophy and Objectives

The Board, with input from the HRCC is responsible for developing and implementing the Directors' compensation plan. From 2012 to 2019 the HRCC has sought advice in this regard from its independent compensation advisors, Willis Towers Watson Canada Inc. ("**Willis Towers Watson**"). In 2019 the HRCC retained Hugessen Consulting ("**Hugessen**") to assist with its review of executive compensation. The main objectives of the Directors' compensation plan are to:

- recruit and retain qualified individuals to serve as members of the Board and contribute to the overall success of the Corporation;
- align the interests of the Directors with those of the Shareholders by requiring that Directors hold a multiple of their annual retainer in Common Shares or Common Share equivalents; and
- compensate the Directors in a manner that is competitive with other comparable public issuers and commensurate with the risks and responsibilities assumed in Board and Committee membership.

Unlike compensation for the Named Executive Officers (as defined herein), the Directors' compensation plan is not designed to pay for performance; rather, Directors receive retainers for their services and an annual grant of Deferred Share Units ("**DSUs**") in order to help ensure unbiased decision-making. Equity ownership, required through ownership guidelines, serves to align the Directors' interests with the interests of the Shareholders. Consistent with the philosophy described above, the non-Management Directors of the Corporation do not receive grants of PSUs or RSUs (as those terms are defined herein) under the Unit Plans (as defined herein). Similarly, non-Management Directors are not eligible to receive grants of options or share units under the Stock Option and Treasury Plan.

### 2019 Director Compensation

The HRCC conducts periodic reviews of Director compensation. The HRCC most recently conducted a review of the Corporation's Director compensation practices in 2017, including a review of different director compensation in comparator groups from those used in prior years. As a result of that review, the Board revised the Director compensation structure, which revision resulted in a reduction of overall Director compensation. Details of the review conducted in 2017 can be found in the Corporation's 2017 Management Information Circular under the Corporation's profile on [www.sedar.com](http://www.sedar.com).

### Components of the Director Compensation Program

#### Deferred Share Units

The Deferred Share Unit Plan (the "**DSU Plan**") provides for the issuance of DSUs to Directors. The DSU Plan allowed DSUs to be issued to employees until 2012, when that practice was discontinued. The purposes of the DSU Plan are: (i) to enhance the Corporation's ability to attract, retain and reward non-Management Directors; (ii) to provide to non-Management Directors a tax deferred capital accumulation opportunity through deferral of compensation; and (iii) to closely align the interests of non-Management Directors of the Corporation with the Shareholders.

A DSU is a notional share that holds the same value as a Common Share. Each DSU provides the holder with the right to receive a cash payment based on the value of a Common Share when the holder ceases to be employed by the Corporation. When a Director resigns from the Board, he or she must elect to receive payment of his or her DSU account by no later than the first business day in December of the first calendar year following the calendar year in which he or she ceased to be engaged by the Corporation. The value of a DSU is the weighted average trading price of the Common Shares on the TSX for the five consecutive trading days immediately preceding the date of determination (the "**DSU Value**"). The DSU Value on December 31, 2019 would have been \$1.86.

DSUs carry no voting rights and cannot be transferred, other than in the case of death of the holder. The number of DSUs issued to each Director is calculated by dividing the dollar value that the Director is entitled to receive by the DSU Value on the date of grant. The number of DSUs held by a holder will be adjusted for any dividend payments or any change in the Corporation's outstanding Common Shares that occurs by reason of any stock split, consolidation or other corporate change.

DSUs are granted to Directors on the last day of each quarter in accordance with the terms of the DSU Plan. Directors are also entitled to elect to receive up to 100% of their annual cash retainers in the form of DSUs. The following table sets out: (a) the names of the Directors who elected to receive DSUs in lieu of the payment of cash fees; (b) their respective percentages of their annual cash retainers that they have elected to receive in the form of DSUs; and (c) the dollar value of such fees credited in the form of DSUs.

Director	% of Annual Retainer Elected to Receive in the Form of DSUs in 2019 <sup>(1)</sup>	% of Committee Chair Retainer Elected to Receive in the Form of DSUs <sup>(1)</sup>	Total 2019 Fees Credited in the Form of DSUs <sup>(2)</sup> (\$)
David C. Filmon	100%	N/A	110,429
Carmen R. Loberg	25%	-	15,000
Ian R. Reid	50%	50%	32,208
Kerry R. Rudd	50%	50%	18,214

**Notes:**

- (1) These elections were made for all fees payable after the 2019 annual general meeting.
- (2) The number of DSUs in this column reflects the election made by the Director in effect prior to the 2019 annual general meeting and in effect thereafter. For information regarding elections prior to such time, refer to the Corporation's 2019 Management Information Circular under the Corporation's profile at [www.sedar.com](http://www.sedar.com).

**Retainers and Fees**

The table below sets out the fees that the Directors were entitled to receive in each of 2018 and 2019. As the President and Chief Executive Officer of the Corporation, Mr. LeMay does not receive compensation for acting as a Director. Accordingly, the disclosure set forth below does not refer to any compensation paid to Mr. LeMay in his capacity as a Director and only refers to the non-Management Directors. For further information on the compensation paid to Mr. LeMay in his capacity as a member of Management, please refer to the section with the heading "Executive Compensation Discussion and Analysis – Realizable Compensation of the President and Chief Executive Officer".

Annual Retainer	2019	2018
Board Chair Retainer	\$120,000	\$120,000
Board Member Retainer, excluding Board Chair	\$60,000	\$60,000
Audit Committee Chair Retainer	\$10,000	\$10,000
Other Committee Chair Retainer	\$5,000	\$5,000
Committee Member Retainer	\$0	\$0
Attendance Fees (per meeting)	\$0	\$0
Travel Time	Up to \$1,000	Up to \$1,000
<b>Annual Value DSUs<sup>(1)</sup></b>		
Board Members	\$50,000	\$50,000
Chair of the Board	\$70,000	\$70,000

**Note:**

- (1) DSUs are granted to the Directors in pro-rated amounts on the last day of each quarter. Please refer to the section of this Circular with the heading "Compensation of Directors – Deferred Share Units" for further details on the manner in which DSUs are awarded and redeemed.

### Summary Compensation Table – Directors

The table below sets forth all compensation paid to each non-Management Director of the Corporation for the financial year ended December 31, 2019. The total remuneration paid to the non-Management Directors in 2019 was \$994,202.

Name	Fees Earned <sup>(1)</sup> (\$)	Share-Based Awards <sup>(2)</sup> (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Albrecht W.A. Bellstedt	51,143	27,500	Nil	Nil	Nil	Nil	78,643
Gary M. Collins	44,429	30,357	Nil	Nil	Nil	Nil	74,786
Raymond D. Crossley	70,000	50,000	Nil	Nil	Nil	Nil	120,000
Chad A. Danard	65,000	50,000	Nil	Nil	Nil	Nil	115,000
David C. Filmon	110,429	62,143	Nil	Nil	Nil	Nil	172,571
Mary C. Hemmingsen	72,000	50,000	Nil	Nil	Nil	Nil	122,000
Carmen R. Loberg	65,000	50,000	Nil	Nil	Nil	Nil	115,000
Ian M. Reid	71,417	50,000	Nil	Nil	Nil	Nil	121,417
Kerry R. Rudd	44,429	30,357	Nil	Nil	Nil	Nil	74,786

**Notes:**

- (1) This column reflects the total fees earned by each of the Directors pursuant to each Director's entitlement to: (a) annual retainers; (b) Chair retainers; and (c) travel time. Messrs., Filmon, Loberg, Reid and Rudd have all elected to receive a portion of their compensation in the form of DSUs in lieu of cash. Please refer to the section of this Circular with the heading "Compensation of Directors – Deferred Share Units" for more information about the elections made by these Directors to receive DSUs in lieu of certain cash fees.
- (2) This column references the grant date DSU Value of DSUs issued to each Director, being equal to the aggregate quarterly issuances but excluding the DSUs issued to Directors in cases where they have elected to receive DSUs in lieu of certain cash retainers. These amounts do not include DSUs credited in respect of dividend equivalents.

### Incentive Plan Awards – Value Vested or Earned During the Year

The table below provides details of the value of option-based and share-based awards that vested during the financial year ended December 31, 2019 and the value of annual incentive awards earned during 2019 for each of the Directors, other than Mr. LeMay.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year <sup>(1)</sup> (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Albrecht W.A. Bellstedt	Nil	27,500	Nil
Gary M. Collins	Nil	30,357	Nil
Raymond D. Crossley	Nil	50,000	Nil
Chad A. Danard	Nil	50,000	Nil
David C. Filmon <sup>(2)</sup>	Nil	172,571	Nil
Mary C. Hemmingsen	Nil	50,000	Nil
Carmen R. Loberg <sup>(2)</sup>	Nil	50,000	Nil
Ian M. Reid <sup>(2)</sup>	Nil	50,000	Nil
Kerry R. Rudd <sup>(2)</sup>	Nil	30,357	Nil

**Notes:**

- (1) Includes the value of DSUs awarded to each of the Directors for the year. The DSUs are fully-vested when issued, but are not paid out until the Director ceases to be engaged by the Corporation. See the section of this Circular with the heading "Compensation of Directors – Deferred Share Units" for further details. These amounts do not include DSUs awarded in respect of dividend equivalents paid on outstanding DSUs.
- (2) The values of DSUs vested for these Directors are higher because each elected to receive a certain portion of his or her annual retainer and/or meeting fees in the form of DSUs in lieu of cash. Please refer to "Compensation of Directors – Deferred Share Units" for further details.

### Outstanding Option-Based Awards and Share-Based Awards

The table below sets forth details of all awards outstanding for each non-Management Director as at December 31, 2019.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-Money Options (\$)	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested (\$)	Market or Payout Value of Share-Based Awards that have not Paid Out or Distributed <sup>(1)(2)</sup> (\$)
Albrecht W.A. Bellstedt	N/A	N/A	N/A	N/A	Nil	Nil	-
Gary M. Collins	N/A	N/A	N/A	N/A	Nil	Nil	23,602
Raymond D. Crossley	N/A	N/A	N/A	N/A	Nil	Nil	49,474
Chad A. Danard	N/A	N/A	N/A	N/A	Nil	Nil	215,353
David C. Filmon	N/A	N/A	N/A	N/A	Nil	Nil	146,951
Mary C. Hemmingsen	N/A	N/A	N/A	N/A	Nil	Nil	34,965
Carmen R. Loberg	N/A	N/A	N/A	N/A	Nil	Nil	323,015
Ian M. Reid	N/A	N/A	N/A	N/A	Nil	Nil	366,935
Kerry R. Rudd	N/A	N/A	N/A	N/A	Nil	Nil	37,764

**Notes:**

- (1) The Directors are awarded DSUs as part of their compensation package. DSUs have no vesting conditions attached to them when issued, although they only pay out after the date upon which the Director ceases to be engaged by the Corporation. Please see the section of this Circular with the heading "Compensation of Directors – Deferred Share Units" for further details.
- (2) Represents the cash value of DSUs held by each Director as at December 31, 2019. The amounts have been calculated based upon each DSU having a DSU Value of \$1.86, as at December 31, 2019.

### Director Equity Ownership Guidelines

The Board believes that appropriate equity ownership by non-Management Directors further aligns their interests with those of the Shareholders. Each non-Management Director is required to accumulate at least three (3) times the value of his or her annual Director retainer in securities of the Corporation (which include Common Shares, DSUs and other equity and debt-based instruments that may be issued by the Corporation) by the third anniversary of becoming a Director. If the annual Director retainer is increased, Directors who would otherwise have met the guidelines as at their guideline achievement date but would not meet the guideline on the effective date of such increase in the retainer, will be required to increase their investment within one year of the effective date of the cash retainer increase. The greater of the original cost and current market value of the securities shall be used for the purposes of determining whether the investment guidelines have been achieved. As at December 31, 2019, all of the Directors met or were on pace to meet the equity ownership guidelines.



## Letter to Shareholders from the Chair of the Human Resources and Compensation Committee

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April 3, 2020

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Dear Fellow Shareholders,

The Human and Resources and Compensation Committee of Stuart Olson (the “**HRCC**”) is responsible for the oversight and governance of the compensation plans of the Corporation, setting compensation levels for the Named Executive Officers and making recommendations to the Board for the compensation of the President and Chief Executive Officer.

In fulfilling this mandate, the HRCC adheres to our compensation philosophy which includes setting competitive compensation that emphasizes variable at risk pay to ensure executive compensation not only attracts and retains executives but also aligns realized compensation with the shareholder experience.

### **2019 Performance**

Consistent with 2018, Alberta continued to face economic headwinds and regulatory uncertainty in 2019. The increased supply of US shale production, acceleration of environmental pressures and the lack of pipeline capacity (leading to mandated cuts to oil production by the Alberta government) resulted in a slowdown in capital spending by Stuart Olson’s key oil sands customers while creating a competitive environment for service providers. Given the challenging conditions of Stuart Olson’s core market, the Corporation’s performance was below our aspirations even though adjusted EBITDA (excluding the impact of a dispute settlement in the Industrial Group to bolster liquidity) was consistent with that of 2018.

Given the continuing challenging market conditions Management executed a strategic restructuring which created a leaner, more vertically integrated Corporation. An entire layer of management was eliminated which included two Chief Operating Officers and an Executive Vice President position. In addition, Management took steps to strengthen the balance sheet and provide additional financial flexibility. More specifically, Management refinanced the Corporation’s \$80.5 million convertible debentures and amended the terms of the credit facility to ensure a continued ability to invest in growth and diversification strategies.

Although the Corporation’s performance was below our aspirations, Management did make progress on several initiatives and strategies. Diversification outside of Alberta remained a priority for Management in 2019, with over \$400 million or almost 43% of total revenue, being earned outside of Alberta. New projects added in 2019 outside of Alberta include a mine facility in Saskatchewan and public infrastructure and private light industrial and commercial projects in British Columbia, Manitoba and Ontario.

As well, Management continued to position itself as a leading supplier of maintenance, repair and operations services to the oil sands. Efforts integrating the acquisition of Tartan Canada Corporation during the year resulted in the Corporation being awarded a seven-year contract valued at an estimated \$400 million from an existing oil sands customer in the first quarter of 2020.

### **2019 Performance Related Pay Decisions**

As the returns to shareholders fell short of our aspirations, the HRCC and Board continue to administer the Corporation’s compensation plans to ensure that the actual compensation paid to the Named Executive Officers reflects the shareholder experience:

- The Board did not approve any increase in the base salaries in 2019 for the Chief Executive Officer and 3 of the 4 other Named Executive Officers.
- While Stuart Olson’s performance met the threshold of the Corporate scorecard, in consideration of the shareholder experience in 2019, the Board elected to not award short-term incentive payments (“**STIP**”) to any Named Executive Officers including the Chief Executive Officer.
- The 2017 performance share units (“**PSUs**”) vesting in 2020 are at a 45% value due to the shareholder experience relative to the Corporation’s peers over the last two years.



- Consistent with prior years, the HRCC did not grant any stock options and granted long-term incentive program (“LTIP”) awards such that more than 50% of NEO compensation is performance vested.

As such, the Named Executive Officers received a nominal payout from their 2019 STIP and their 2017 to 2019 LTIPs. Further information on the alignment between the Chief Executive Officer’s realized pay and shareholder returns can be found on page 38 of the Circular.

### **2019 Compensation Decisions**

As part of the efforts to continually review and modify the Corporation’s compensation plans, the HRCC made the following decisions relating to executive compensation in 2019:

- In early 2019, Stuart Olson retained Hugessen Consulting as its independent advisor in respect of various compensation-related matters.
- The Corporation made the decision to reduce the contributions for the matching program of its Employee Share Purchase Plan from 5.0% to 2.5% of an employee’s base salary effective February 2020.
- Stuart Olson retired its stock option plan and obtained shareholder approval of a new security-based compensation arrangement which provides the Board the ability to grant the executives treasury-settled performance and restricted share units to increase the ownership of real shares.

The HRCC is committed to the effective governance of the compensation programs for the organization. The HRCC continues to set challenging targets for the NEOs to align goals with corporate strategy, financial performance and key operational metrics while ensuring the appropriate management of risk. Within this context, we are highly focused on tying compensation actually realized by an executive to the shareholder experience. We thank you for your support.

Regards,



Chad Danard  
Chair, Human Resources & Compensation Committee

## EXECUTIVE COMPENSATION DISCUSSION AND ANALYSIS

This Executive Compensation Discussion and Analysis explains the Corporation's compensation program, 2019 performance and compensation decisions made by the HRCC and the Board for the named executive officers during the 2019 financial year, being:

- David LeMay as President and Chief Executive Officer (the “CEO”);
- Daryl Sands as Executive Vice President and Chief Financial Officer until September 9, 2019;
- Dean Beacon as interim Chief Financial Officer from September 9, 2019;
- Robert Myles as Chief Operating Officer of the Industrial Group until October 18, 2019;
- John Krill as Chief Operating Officer of the Commercial Systems Group; and
- Joette Decore as Executive Vice President, Strategy and Development until December 31, 2019.

(collectively, the “Named Executive Officers” or “NEOs”).

### Oversight Responsibility

The Board has the ultimate responsibility for overseeing the Corporation's executive compensation program. Although the Board has delegated certain oversight responsibilities of this program to the HRCC, it retains final authority over some aspects of the compensation program and process. Duties and responsibilities delegated to the HRCC include:

- Review and recommend to the Board changes to the compensation philosophy, guidelines and general plans or programs for its employees and Directors to ensure effectiveness;
- Review with the CEO and recommend to the Board the performance goals for the Corporate Scorecard and for any executive incentive plan;
- On an annual basis, review the performance of the CEO and each of the senior executives against his or her approved goals, recommend for Board approval bonus (STIP) payments and long-term incentive (LTIP) grants, and if appropriate recommend changes to the target compensation package for Board approval;
- Approve the annual aggregate bonus amounts (STIP) payable and long-term incentive (LTIP) payable to all employees as recommended by the CEO;
- Approve any annual aggregate base salary increases for the employees of the Corporation as recommended by the CEO and approve salary increases for the CEO and executive officers;
- Provide oversight on the pension plan and retirement benefits including appointing members to the Corporation's Pension Committee;
- Recommend to the Board any share ownership guidelines for the Directors and senior employees of the Corporation;
- Review and provide a report to the Board pertaining to the implications of the risks associated with the Corporation's compensation policies and practices (on an annual basis);
- Review and recommend the Compensation Discussion & Analysis section of the Corporation's annual management information circular;
- Review with the CEO existing management resources and plans, including recruitment and training programs to ensure qualified personnel will be available for succession to executive positions and if deemed appropriate recommend to the Board for approval the appointment of new assignments or material reassignments of existing senior executives as recommended by the CEO; and
- Review and recommend to the Board for approval the form and level of compensation for Directors, Committee Members, Committee Chairs, and the Chair of the Board.

The HRCC consists of independent Directors who have the appropriate mix of skills and experience in management, business, industry, human resources and public accountability for carrying out their responsibilities, which enables them to make decisions regarding the suitability of the Corporation's compensation policies and practices. See "About the Nominated Directors – Skills and Experience of the Nominated Directors" for further details on the skills and experience of each of the members of the HRCC. Under the Terms of Reference for the Committee, the HRCC is composed of entirely independent Directors. Up until May 20, 2019, the members of the HRCC were Chad Danard (Chair), David Filmon, Carmen Loberg and Ian Reid. The current members of the HRCC are Chad Danard (Chair), Gary Collins, Carmen Loberg and Kerry Rudd.

### Independent Advice

From 2012 until 2019 the HRCC engaged Willis Towers Watson as an independent advisor in respect of various compensation-related matters including benchmarking compensation levels and practices with the industry and comparator groups, advising on compensation levels for the Named Executive Officers, providing observations and recommendations with respect to the Corporation's compensation practices (including the Corporation's short, medium and long-term incentive plans) and apprising the HRCC of market trends in executive compensation. Starting in 2019 the HRCC engaged Hugessen Consulting ("Hugessen") for those services.

The Chair of the HRCC reviews and approves the scope of activities of the consultants and fees related to executive compensation. Any significant services provided to Management and fees not related to executive compensation are pre-approved by the Chair of the HRCC to ensure independence.

### Executive Compensation – Related Fees

The table below sets forth the fees paid to consultants in 2019 and 2018 for the services provided in those years. Other than as described in the table, no other services were provided to the Corporation by Willis Towers Watson or Hugessen in either year.

Executive Compensation and Related Matters	2019	2018
Willis Towers Watson	\$14,515	\$56,584
Hugessen	\$122,264	\$0

### Risk Management

The HRCC and Board oversight includes ensuring executive compensation is aligned with performance and does not encourage an executive to expose the Corporation to excessive or inappropriate risks. The following highlights the compensation practices and policies of the Corporation that have been implemented to effectively identify and mitigate compensation risks and to encourage executives to balance risk and rewards when making business decisions:

What Stuart Olson Does	What Stuart Olson Does Not Do
- Pay for performance	- Reprice outstanding stock options
- Emphasize variable pay, particularly long-term incentives and performance-based compensation in the pay mix for NEOs	- Benchmark against aspirational peers
- Use a balanced scorecard with pre-established corporate, operating group, and individual performance goals to assess corporate and individual executive performance	- Provide excessive perquisites or benefits
- Review the performance goals and scenario test plan construct to ensure the programs are sustainable	- Offer tax gross-ups
- Mandate and encourage share ownership for the NEOs	- Pay bonuses if pool is not funded and performance thresholds are not met
- Complete a risk assessment for the organization on an annual basis	- Provide a defined benefit pension plan <sup>(1)</sup>
- Receive advice from independent third-party compensation consultants	
- Engage with key Shareholders on a regular basis	

**Note:**

(1) The Corporation maintains two legacy defined benefit plans that apply to a small number of long standing employees, and that are in the process of being discontinued

**Clawback Policy:** The Board has approved the Incentive Compensation Reimbursement Policy which provides that any recipient of incentive based compensation repay the Corporation any overpayments of incentive based compensation that are attributable to material misstatements in the Corporation's reported financial results that are subsequently required to be restated, where such misstatements have been caused by the misconduct of the recipient. The policy also allows the Board to recover compensation in the event that a participant in an incentive-based program has committed a material breach of the Code of Business Conduct and Ethics Policy.

**Discretion:** The Board has the ability to exercise discretion to increase or decrease any compensation awards if it deems it appropriate based on market factors or other extenuating circumstances. While the Board has to date exercised its discretion sparingly, it will provide rationale when discretion is applied.

**Anti-hedging Policy:** The Corporation's Insider Trading Policy includes a provision which prohibits Directors and employees of the Corporation from purchasing or selling derivatives in respect of any security of the Corporation. This includes "puts" and "calls" on the Corporation's securities. Similarly, the Corporation prohibits Directors and its employees from short selling or hedging against a decrease in value of its securities.

**Non-Competition and Non-Solicitation Restrictions:** The employment agreement of each Named Executive Officer restricts him or her from competing with the Corporation and its affiliates within a set geographic region and from soliciting employees of the Corporation, in each case, for a period of twelve months following the termination of employment for any reason.

**Equity Ownership Requirements:** The HRCC and the Board believe it is important that the Corporation's executives demonstrate their commitment to Stuart Olson through equity ownership. The equity ownership guidelines encourage an executive to obtain equity ownership at the applicable multiple of his or her salary within five years of appointment to his or her position. If, at the end of such five-year period, the required multiple is not met, then all after tax proceeds paid to the executive from equity incentives (such as RSUs) are required to be used to purchase Common Shares until the guidelines are met. Those guidelines are as set out in the table below.

Position	Equity Ownership Guidelines Minimum Multiple of Base Salary
President and Chief Executive Officer	3.0x
Chief Financial Officer	1.5x
Business Leads for each Operating Company	1.5x
Other Direct Reports to the Chief Executive Officer	0.5x

As of December 31, 2019, all of the Named Executive Officers employed by the Corporation complied with, or were on their way to complying with the Equity Ownership Guidelines. The table below sets out the calculated value of the equity held by each of the Named Executive Officers employed as at December 31, 2019 and the status of each with respect to the equity ownership requirement:

Named Executive Officer <sup>(1)</sup>	Required Multiple of Base Salary	Required Value to be Held (\$)	Total Value of Holdings (\$) <sup>(5)</sup>	Actual Multiple of Base Salary	Equity Ownership Guideline Achieved
David LeMay <sup>(2)</sup>	3.0x	1,950,000	2,146,883	3.65	Yes
Dean Beacon <sup>(3)</sup>	N/A	N/A	N/A	N/A	N/A
John Krill	1.5x	480,000	312,535	.98	Yes <sup>(4)</sup>

**Notes:**

- (1) Ms. Decore and Messrs. Myles and Sands are no longer employed by the Corporation. Accordingly their ownership is not reported.
- (2) Mr. LeMay owns DSUs. The issuance of DSUs to employees was discontinued as at January 2013.
- (3) As interim Chief Financial Officer, Mr. Beacon was not required to comply with the equity ownership guidelines.
- (4) Mr. Krill has until April 10, 2022 to meet the ownership requirements.
- (5) Valuation of equity instruments for the purposes of the ownership guidelines are: (i) for Common Shares, based on the greater of acquisition cost or fair market value as of December 31, 2019; and (ii) for Units, valued at the greater of grant date value or payout value assuming a 100% payout on December 31, 2019.

**Corporate Culture and Core Values:** The Corporation is committed to a strong culture which defines the character of the organization. That culture is founded upon key core values, which include acting with integrity, respecting and trusting people, demonstrating innovation and entrepreneurial spirit, striving for excellence and prioritizing safety, health and the environment. These values guide ethical behaviour by facilitating and rewarding leadership, transparency and honesty and are contemplated when determining corporate and individual executive scorecard metrics and evaluating performance.

**Codes of Ethics:** The Corporation has adopted codes of ethics that apply to both Directors and employees of the Corporation. These codes incorporate principles of good conduct and ethical and responsible behaviour to guide decisions and actions.

After considering the implications of the Corporation's compensation policies and practices and reviewing those policies and practices as described above, the Board believes that: (i) the Corporation's executive compensation practices are aligned to the interests of Shareholders; (ii) the Corporation has the proper practices in place to effectively identify and mitigate potential risk; (iii) the Corporation's policies and practices do not encourage any Director, any member of the Corporation's executive leadership team, or any employee to take inappropriate or excessive risks; and (iv) the Corporation's policies and procedures are not likely to have a material adverse effect on the Corporation.

### Compensation Philosophy

The Corporation's executive compensation program has the following objectives:

- to provide a compensation package that aligns pay with performance and rewards individual performance contributions in the context of overall business results;
- to be competitive in pay mix and quantum by reviewing and benchmarking each NEO against market data;
- to align the interests of executives with those of Shareholders by emphasizing the weighting of variable performance based pay relative to fixed; and
- to support the attraction, engagement and retention of executives.

The compensation program is also designed to align with the Corporation's business and strategic plans and risk management framework to provide an appropriate balance between risk and executive rewards. Stuart Olson targets total direct compensation at median of the market. Historically, Stuart Olson benchmarked executive pay using a peer group; however, due to the lack of close peers, the Corporation uses survey data exclusively to benchmark NEO compensation. In 2019 competitive compensation data was drawn from the Willis Towers Watson's 2017 General Industry Executive Compensation Survey, size-adjusted to reflect individual incumbent revenue responsibility with consideration given for existing market conditions.

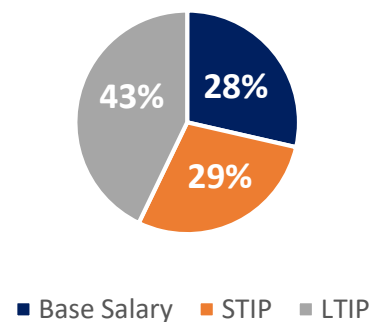
### Pay Mix

Aligned with the compensation philosophy, the majority of CEO compensation at target is variable and at risk, with the only guaranteed component of compensation being base salary. Overall, 71% of CEO target pay is variable and at risk.

### Determining NEO Compensation

On an annual basis, Management prepares compensation recommendations for review and consideration by the HRCC. In determining target total direct compensation for the Named Executive Officers, the HRCC considers a number of factors such as (a) the overall financial and operating performance of the Corporation; (b) the CEO's assessment of the performance of, and recommended compensation for, each NEO; (c) the advice from its independent consultant regarding external forces driving compensation trends applicable to the Corporation; and (d) the individual experience, judgment and assessment of each of its members. Target compensation for the CEO is determined independently from Management with the support of the HRCC's advisors.

CEO Target Pay Mix



After completing its review, the HRCC presents its recommendations to the full Board for the aggregate compensation levels for the Corporation including the allocation to the Named Executive Officers, while the Board sets compensation for the CEO.

### Description of Components of Compensation

The Corporation targets an overall compensation package for its Named Executive Officers aligned to the median of the market data. Total compensation is weighted towards variable and performance-based components. As such, awarded compensation can exceed median in years of strong individual and corporate performance, or conversely be below median in years where performance does not meet targets. The total compensation package includes a balanced set of elements designed to deliver the objectives of the compensation philosophy of the Corporation described under the section with the heading “Executive Compensation Discussion and Analysis – Compensation Philosophy”. Those individual components include the following:

- base salary;
- short-term incentives (annual cash bonus); and
- long-term equity-based incentives.

Eligible employees, including the Named Executive Officers, are able to participate in the group benefits plans, the ESPP (as defined herein) and the RRSP Program (as defined herein).

The table set forth below summarizes the major components of the Corporation's executive compensation program that were applicable in 2019. Each component is then further detailed in this section.

Component	Design Summary	Variable	Form	Objectives and Rationale
<b>Base Salary</b>	Fixed rate of pay targeted at the median of the market data; Individual salary recommendations based on competitive benchmarking with reference to an executive's job responsibilities and the level of skills and experience; Annual performance period	No	Cash	Provide competitive level of fixed compensation; Recognize sustained individual performance
<b>Short-Term Incentive Program (the “STIP”)</b>	Annual award based on achievement of pre-determined corporate, operating group and individual objectives; Funding based on financial performance of the Corporation; Annual performance period	Yes	Cash	Reward the achievement of a balanced set of annual corporate, operating group and individual objectives; Align interests of executives with Shareholders
<b>Long-Term Incentive Program (the “LTIP”)</b>	Three-year cliff vesting and paid out based on the share price at the time of vest; Employees must remain in active service until the completion of the three-year vesting period or be eligible to qualify for the Corporation's retirement policies	Yes	Restricted Share Units (“RSUs”) payable in cash	Reward the achievement of sustained financial performance Contribute to retention of talent
	Three year performance vesting based on the Corporation's performance compared to pre-determined “corporate objectives” and paid out based on the share price at the time of vest; Employees must remain in active service until the completion of the three-year vesting period or be eligible to qualify for the Corporation's retirement policies	Yes	Performance Share Units (“PSUs”) payable in cash	
	Conventional options that vest over three years at a rate of 1/3 per year; Employees must remain in active service for vesting to occur;	Yes	Options	Recognize individual contribution and potential
	Ten year life for awards, subject to a shortening to five years after the date of retirement subject to the Corporation's retirement policies			Align interests of executives with Shareholders
	Share Units with a minimum one year vesting period	Yes	Share Units settled from treasury or in cash	

### Base Salary

Base salaries for the NEOs are reviewed annually in the context of total compensation and by reference to similar positions in the market data. Stuart Olson's philosophy is to set salaries comparable to the median of the market data depending on the experience and contribution of the individual. In 2019, the HRCC recommended to the Board that an adjustment be made to the base salary of only one Named Executive Officer to reflect inflation and to keep him closer in line with the Corporation's policy of paying at the market median for total compensation for similar positions. That adjustment is noted below:

Named Executive Officer	2018 Base Salary	2019 Base Salary <sup>(1)</sup>
David LeMay	\$650,000	\$650,000
Daryl Sands	\$408,447	\$408,447
Dean Beacon <sup>(2)</sup>	N/A	N/A
Robert Myles	\$442,000	\$459,680
John Krill	\$320,000	\$320,000
Joette Decore	\$306,000	\$306,000

#### Notes:

(1) The changes to the NEO's base salary were made effective April 1, 2019. See the "Summary Compensation Table" below for further details.

(2) Mr. Beacon was retained pursuant to a personal services agreement.

### Annual Short-Term Incentive ("STIP")

Each year the Corporation determines the STIP pool for all employees as a fixed percentage of the Corporation's adjusted EBITDA. At the end of each year, NEO's STIP award is determined based upon a combination of: (a) the funded level of the STIP pool; (b) the allocation of the STIP pool among each operating group; and (c) an executive's performance rating. STIP targets for the NEOs are reviewed annually by the HRCC in the context of its annual review of total compensation.

If, in any given year, the Corporation's financial results are lower than target, the funded STIP pool will decrease, and if the Corporation's financial results are exceptional, the STIP pool and, correspondingly, each executive's STIP payout, will increase. This methodology directly links the value of each executive's STIP award to the financial performance of the Corporation. The funding of the STIP pool is approved annually by the HRCC. The foregoing factors are also applicable in determining the CEO's STIP award.

In addition to funding the STIP pool based on EBITDA, the HRCC annually reviews the individual, operating group and corporate objectives set out in a balanced scorecard for the NEOs. The HRCC then makes recommendations to the Board. The Board considers the recommendation of the HRCC and, if appropriate, provides its final approval. The NEOs' scorecard typically includes objectives for each of the following:

- the performance of the Corporation as a whole, including adjusted EBITDA, backlog, safety improvements and specific corporate milestones that contribute to achievement of the Corporation's business and strategic plans; and
- the performance of the executive's operating group, including adjusted EBITDA, backlog, safety improvements and specific operating group milestones that contribute to achievement of the operating group's business and strategic plans.

Specific targets, as well as threshold and maximum measures, are set for each objective. Performance objectives are given weightings within the scorecard based upon their relative importance to the Corporation with higher weightings typically being given to financial metrics of adjusted EBITDA and backlog objectives.



The scorecard results are reviewed at the completion of each year. Each objective is rated on a scale of between 0% and 200% as set out in the table below.

Performance Objective	Balanced Scorecard Rating
Threshold	Results in a score of 50%; however, below this value results in a score of 0%
Target	Results in a score of 100% (above Threshold and below Target results interpolated)
Maximum	Results in a score of 200% (above Target and below Maximum Target results interpolated)

The 2019 target STIP awards for each of the Named Executive Officers were as follows:

Named Executive Officer	Target STIP as a % of Base Salary
David LeMay	100
Daryl Sands	75
Dean Beacon	N/A
Robert Myles	65
John Krill	55
Joette Decore	45

### 2019 Corporate Performance

The following summarizes Stuart Olson's performance against its 2019 corporate objectives:

Corporate Performance Objective	Target	Actual Result	Performance Assessment
Adjusted EBITDA <sup>(1)</sup>	\$41.4 M	\$35.8 M <sup>(2)</sup>	Below Threshold
Backlog <sup>(1)</sup>	\$1,650 M	1,489 M	Between Threshold and Target
Safety Effectiveness	100%	87%	Between Threshold and Target
Acquisition Strategy	Board Discretion	Target	Target

#### Notes:

- (1) Please refer to the section of this Circular with the heading "Non-IFRS Measures" for a detailed description of "adjusted EBITDA" and "backlog".
- (2) This amount differs from EBITDA reported in the Corporation's annual filings because the EBITDA used by the HRCC to assess performance did not include the one time impact of the settlement of a large project dispute which accounted for a \$14.3 M write-down of EBITDA in 2019. See the Corporation's filed Management's Discussion and Analysis, press release and financial statements for the year ended December 31, 2019 on the Corporation's profile at [www.sedar.com](http://www.sedar.com).

### Evaluation of Performance to Corporate Objectives

The year ending December 31, 2019 continued to present challenges for Stuart Olson. Consistent with 2018, economic headwinds in Stuart Olson's core market of Alberta resulted in less spend in the private sector (the oil sands in particular) and a more competitive environment for service providers. In the public sector, the spending on infrastructure in Alberta and by the Federal Government was also less robust than expected.

Stuart Olson maintained adjusted EBITDA of \$35.8<sup>1</sup> million compared to \$36.1 million in 2018. In response to the continuing challenging and competitive conditions, Management executed a strategic restructuring to create a leaner, more vertically integrated Corporation. An entire layer of management was eliminated which included two Chief Operating Officers and an Executive Vice President position.

<sup>1</sup> This amount differs from EBITDA reported in the Corporation's annual filings because the EBITDA used by the HRCC to assess performance did not include the one time impact of the settlement of a large project dispute which accounted for a \$14.3 M write-down of EBITDA in 2019. See the Corporation's filed Management's Discussion and Analysis, press release and financial statements for the year ended December 31, 2019 on the Corporation's profile at [www.sedar.com](http://www.sedar.com)



In 2019, the Corporation added \$860 million to backlog ending the year at \$1.5 billion, a decrease from \$1.6 billion at the start of the year. Despite a decrease in backlog, the Buildings Group and Commercial Systems Group continued to secure significant new projects in Ontario and British Columbia. As well, efforts integrating the acquisition of Tartan Canada Corporation during the year resulted in the Industrial Group being awarded a seven-year contract valued at an estimated \$400 million from an existing oil sands customer in the first quarter of 2020.

The Corporation continued its emphasis on, and commitment to industry leading Health Safety and Environment (“HSE”) performance. The HSE program made strides to adapt to the evolving HSE demands for each of the Corporation’s operations and identified opportunities to improve internal and external partnerships. The HSE Program introduced a more comprehensive scorecard measure which evaluated RIF performance, comparisons to industry bench marking data and the successful completion of internal initiatives. Although the Corporation did not reach its ultimate goal of zero incidents, all leadership and employees continued to strive to modernize and continually improve programs and processes to ensure a high standard of health and safety and that the Corporation continues to positively impact the communities in which it operates so that everyone returns home safely each day.

Based on the results achieved relative to the targets set at the beginning of the year, the Board determined that the Corporation’s overall performance for 2019 was at Threshold. However, despite Threshold performance being achieved, upon the recommendation of Management, the Board elected not to pay STIP to the executives in consideration of the Shareholder experience during the year.

Named Executive Officer	Base Salary	STIP Target		2019 Actual
		%	\$	
David LeMay	\$650,000	100%	\$650,000	\$0
Daryl Sands	\$408,447	75%	\$306,335	\$0
Dean Beacon	N/A	N/A	N/A	N/A
Bob Myles	\$459,680	65%	\$298,792	\$0
John Krill	\$320,000	55%	\$176,000	\$0
Joette Decore	\$306,000	45%	\$137,700	\$0

### Long-Term Equity Based Incentives (“LTIP”)

Stuart Olson uses a mix of PSUs, RSUs, and options to deliver long term incentives. Grants are made pursuant to plans as detailed below.

The Board grants LTIP awards to participants in its sole discretion and upon the recommendation of the HRCC. Generally, the LTIP awards are determined as part of the annual deliberation process with respect to each executive’s total compensation package as compared to total compensation for similar positions using the market data. There are certain limited occasions in which awards have been made outside that annual process such as for promotions or to recruit new senior executives to the Corporation. In recommending these grants, the HRCC considers the level of responsibility of the proposed recipient and his or her ability to impact performance and growth in Shareholder value.

The recommendations of the HRCC for LTIP awards are not contingent on the amount, term or current value of compensation previously awarded to an individual.

### Unit Plan

All NEOs are eligible to receive LTIP awards in the form of RSUs and PSUs (collectively “Units”) in accordance with the terms and conditions of the 2017 Incentive Share Unit Plan (the “Unit Plan”). The Unit Plan provides that only cash payments shall be made in respect of vested Units. Non-executive Directors are not eligible to receive Units under the Unit Plans.

The Unit Plan has been in effect since March of 2017. The grant value and payout value of all Units are calculated as the twenty-day volume weighted average trading price of Common Shares as of the date of determination. RSUs granted under the Unit Plan are not performance based, and vest on the three-year anniversary of the date of grant, provided that the grantee is still employed with the Corporation as of such date.

The PSUs issued pursuant to the Unit Plan performance vest or are cancelled at the end of the three-year period based upon the Corporation's performance relative to a "corporate objective" set at the time of the grant. The "corporate objective" is approved at the sole discretion of the Board after considering the recommendations of the HRCC. The grant value and total cash payout for each performance vested PSU is calculated using the twenty-day volume weighted average trading price of Common Shares as of the date of determination and applying a multiplier dependent upon the relative performance of the Corporation against the applicable "corporate objective". The multiplier applied to the value of the PSUs can range from 0% to 200%.

The following terms apply to both RSUs and PSUs:

- Units entitle the holders thereof to be credited with additional Units to recognize the value of dividends declared and paid on the Common Shares on whose value the Units are based;
- in the case of a participant's termination without cause, other than as may be set forth in an employment agreement, the number of Units that vest, if any, are at the discretion of the CEO;
- in the case of a participant's death or permanent disability, as of the applicable date, a prorated number of Units vest immediately and are paid out in the normal course subject to time and performance vesting; and
- in the event of a change in control or other similar corporate transaction affecting the Corporation, other than as may be set forth in an employment agreement, the Board has the discretion to determine whether and to what extent all Units accelerate and vest.

#### 2017, 2018 and 2019 PSU Corporate Objectives

The "corporate objective" set by the HRCC in 2017 and used for the purposes of determining the value of all PSUs issued in that year was based on the Corporation's performance against: (a) 50% on Stuart Olson's total shareholder return relative to the S&P/TSX Capped Industrial Index; and (b) 50% on Stuart Olson's actual adjusted EBITDA generated over the three years relative to targets set at the beginning of the applicable grant term. The corporate objectives set for 2018 and 2019 were based on the Corporation's performance against: (a) 25% on Stuart Olson's total shareholder return relative to the S&P/TSX Capped Industrial Index; and (b) 75% on Stuart Olson's actual adjusted EBITDA generated over the three years relative to targets set at the beginning of the term.

#### **Treasury Based Plans**

In 2018, the Board discontinued the granting of Stock Options to executives under the 2007 Stock Option Plan and in 2019 received shareholder approval of the 2019 Stock Option and Treasury Plan (the "**2019 Treasury Plan**"). In connection with the discontinuation of the 2007 Stock Option, the outstanding awards under that plan will continue to exist until such time as they are exercised, forfeited or cancelled. Upon the forfeiture, cancellation or exercise of all such stock options, the 2007 Stock Option Plan shall immediately be cancelled. The terms and conditions of the 2007 Stock Option Plan and 2019 Treasury Plan are summarized in Schedule B and Schedule C of this Circular respectively.

#### Outstanding Stock Options & Share Units

In 2019, Shareholder approved the 2019 Treasury Plan. As of December 31, 2019 there were no Share Units and no Stock Options outstanding under the 2019 Treasury Plan. As of December 31, 2019, there were approximately:

- 1,206,684 Common Shares issuable upon the exercise of outstanding Stock Options under the 2007 Stock Option Plan; this represented 4.28% of the total number of issued and outstanding Common Shares as at the Effective Date; and
- 1,991,671 Common Shares remaining available for issuance under 2019 Treasury Plan consisting of 1,158,178 Common Shares issuable pursuant to Stock Options and 833,493 Common Shares issuable pursuant to the settlement of Share Units; this represented 7% of the total number of issued and outstanding Common Shares as at the Effective Date.

A total of 890,810 Stock Options have been exercised under the 2007 Stock Option Plan since its inception in 2006, representing 3.16% of the outstanding Common Shares as of the Effective Date. In each of 2019, 2018 and 2017, the burn rate of the 2007 Stock Option Plan was 0%, 0%, and 2.14% respectively.

### 2019 LTIP Awards

The table below reflects the Share Unit and Stock Option LTIP awards made to each of the Named Executive Officers in 2019:

Named Executive Officer	2019 LTIP Award (Units)		2019 LTIP Award (Stock Options) \$
	RSUs	PSUs	
David LeMay	\$487,500	\$487,500	Nil
Daryl Sands	\$214,435	\$214,435	Nil
Dean Beacon	N/A	N/A	N/A
Robert Myles	\$241,332	\$241,332	Nil
John Krill	\$104,000	\$104,000	Nil
Joette Decore	\$122,400	\$122,400	Nil

Consistent with previous years, 2019 LTIP awards were provided 50% in time-vested RSUs and 50% in performance-conditioned PSUs.

### PSU Performance & Payouts

Based on performance during the performance period of the 2017 PSU grant (2017-2019), the Corporate Objective result was 45% and as such, 45% of the PSUs granted to executives on April 1, 2017 will payout on April 1, 2020. The Corporate Objective result was based on a score of 0% with respect to Stuart Olson's total shareholder return relative to the S&P/TSX Capped Industrial Index; and a score of 89% with respect to Stuart Olson's actual adjusted EBITDA generated over the three years relative to targets set at the beginning of the applicable grant term (each objective weighted 50%).

### Other Compensation Plans

The following discussion pertains to the other compensation plans that are included as part of the total compensation package offered to executives, including the Named Executive Officers.

#### Employee Share Purchase Plan

Stuart Olson offers all of its salaried employees, including the Named Executive Officers, the opportunity to invest in Common Shares through an employer matched share purchase plan (the "ESPP"). Pursuant to the terms of the ESPP, Stuart Olson matches an employee's contributions up to 5% of his or her base salary. In 2019, the Corporation reduced the match of an employee's contribution to 2.5% of his or her base salary which reduction came into effect February 2020. The funds accumulate and are used to purchase Common Shares in the open market. Contributions vest immediately. The plan is designed to provide employees with an ownership interest and to motivate their actions towards maximizing Shareholder value.

#### Group RRSP

Stuart Olson offers most of its employees, including the Named Executive Officers (other than Mr. Krill), an opportunity to contribute to their retirement savings through an employee/employer Group Registered Retirement Saving Program ("RRSP Program"). Stuart Olson matches employee contributions to the RRSP Program up to 5% of the employee's base salary. Contributions made by Stuart Olson pursuant to the RRSP Program are vested immediately. The purpose of the RRSP Program is to encourage employees to save for retirement. As an employee of the Commercial Systems Group, which operates under the Corporation's subsidiary Commercial Systems Group Systems Ltd., Mr. Krill participates in the Commercial Systems Group defined contribution pension plan instead of receiving RRSP matching.

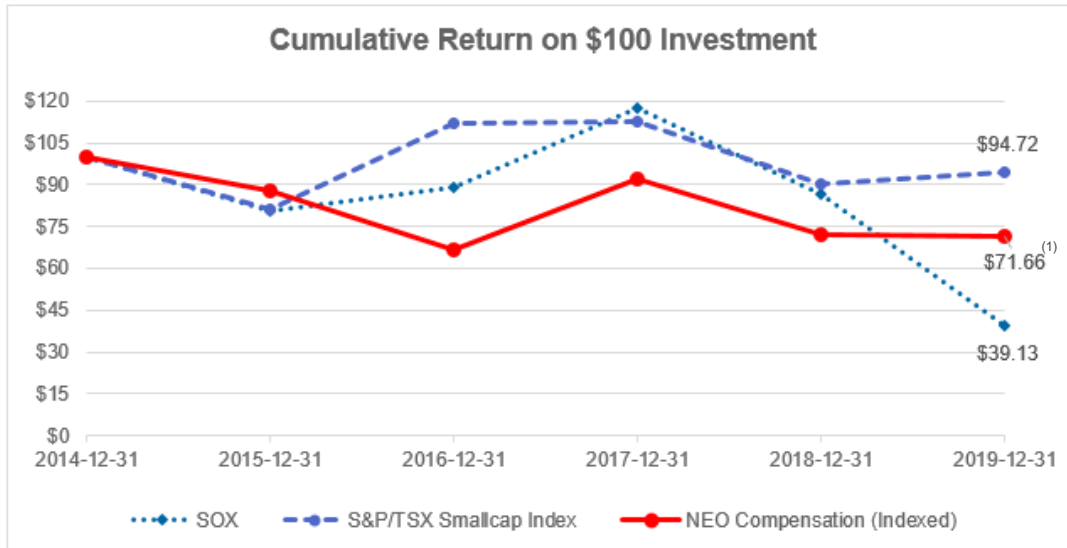
#### Group Benefits and Other Perquisites

The benefit programs in which the Named Executive Officers participate include car allowances and enrollment in programs for health, dental, life insurance and short and long-term disability.

### Share Performance Graph

The share performance graph below compares the yearly and cumulative total return on the Common Shares (assuming a \$100 investment was made on December 31, 2014) with the cumulative total return of the S&P/TSX Smallcap Index. The graph also shows the aggregate compensation paid or awarded to the then Named Executive Officers (excluding the effect of costs for termination without cause) over the same time period (portrayed as an index, for the purposes of which, the amount of such compensation for the year ending in December 31, 2014 is set at \$100) ("NEO Compensation (Indexed)"). The graph illustrates that the compensation

paid to NEOs has followed a similar trend to the cumulative return experienced by Shareholders up until 2018. In 2019, due to significant impacts on the share price, and for which adjustments could not be made prior to year end, the two trends diverged.



**Note:**

(1) NEO Compensation (Indexed) is calculated as the applicable year's aggregate compensation paid or awarded to the then Named Executive Officers divided by the corresponding amount in 2014, multiplied by \$100.

**Realizable Compensation of the President and Chief Executive Officer**

The pay-for-performance philosophy of the Corporation is also demonstrated by analyzing the difference in the value of realizable compensation to the value of awarded compensation for the CEO. The tables below illustrate the CEO's realizable compensation compared to his target compensation.

The following table shows the target total direct and granted total direct compensation ("TDC") to the CEO for each individual fiscal year between 2015 and 2019 compared to the actual compensation that is realized/realizable from each fiscal year's grant between the grant date (Period Beginning) and December 31, 2019. Also shown below is the return to the CEO, as measured by the actual value delivered for \$100 awarded in TDC for each fiscal year up until December 31, 2019, compared to the value of a \$100 investment in Stuart Olson Common Shares made on the first day of each fiscal year as at December 31, 2019 (assuming the reinvestment of dividends). The HRCC acknowledges the difference between the return to Shareholders and the return on CEO compensation and is continuously monitoring and evaluating this to remain market competitive and to retain executives in this challenging time.

Period Beginning	As of Beginning of Period		As of End of December 31, 2019				
	Target Total Direct Compensation (TDC) <sup>(1)</sup>	Granted Total Direct Compensation (TDC) <sup>(2)</sup>	Realized Pay (A) <sup>(3)</sup>	Realizable Pay (B) <sup>(4)</sup>	Total Realized/Realizable (A+B)	Return to CEO <sup>(5)</sup>	Return to Shareholders <sup>(6)</sup>
Jan 1, 2015	\$1,892,625	\$1,952,112	\$1,651,501	\$0	\$1,651,501	\$85	\$37
Jan 1, 2016	\$1,892,625	\$1,420,750	\$806,867	\$0	\$806,867	\$57	\$47
Jan 1, 2017	\$1,892,625	\$1,880,388	\$1,050,963	\$115,910	\$1,166,872	\$62	\$39
Jan 1, 2018	\$2,172,055	\$1,370,587	\$620,587	\$125,661	\$746,248	\$54	\$27
Jan 1, 2019	\$2,275,000	\$1,625,000	\$650,000	\$253,755	\$903,755	\$56	\$33

**Notes:**

- (1) Includes salary, target STIP and grant-date fair value for equity awards.
- (2) Granted TDC during the fiscal year, equity awards valued at the grant-date fair value.
- (3) The sum of salary, actual STIP, the current value for RSUs as at Dec 31, 2019 and estimated value of 2017 PSUs (payout multiplier of 45%), 2018 PSUs (payout multiplier of 11%), and 2019 PSUs (payout multiplier of 45%). Options at Dec 31, 2019 reflect in-the-money value. Equity valuation reflects the 20 day trading price at December 31, 2019 of \$1.60.
- (4) Realizable compensation is based on units vested and does not reflect actual exercises and payout.
- (5) The actual value to the CEO for each \$100 awarded in TDC for the fiscal year indicated as at the end of the period.
- (6) Represents the value of a \$100 investment in Stuart Olson common shares made on the first day of the indicated period, assuming dividend reinvestment.

The following table represents the aggregate target total cash compensation and granted total LTI to the CEO between 2017 and 2019 in comparison to what was realized/realizable to the CEO from the total granted amounts.

President & CEO 2017-2019 Aggregate Compensation	Aggregate Target Total Cash and Granted LTIP <sup>(1)</sup>	Aggregate Realized/ Realizable <sup>(2)</sup>
Base Salary	\$1,811,337	\$1,811,337
STIP	\$1,811,337	\$459,638
Options	\$220,000	\$50,575
RSUs	\$1,082,500	\$344,519
PSUs	\$1,302,500	\$150,807
Total Cash	\$3,622,674	\$2,270,975
Total Equity	\$2,605,000	\$545,901
Total Direct	\$6,227,674	\$2,816,876

**Notes:**

- (1) Includes salary, target STIP and the grant-date fair value of equity awards on an aggregate basis from 2017-2019.
- (2) Includes salary, actual STIP granted and an estimated value for PSUs, RSUs and options based on the 20 day trading price at Dec 31, 2019 of \$1.60. Includes, the estimated value of 2017 PSUs (payout multiplier of 45%), 2018 PSUs (payout multiplier of 11%), and 2019 PSUs (payout multiplier of 49%). Option values reflect the in-the-money value as at Dec 31, 2019, and includes the actual value of exercised options from 2017-2019.

### Summary Compensation Table

The following table sets forth certain information regarding compensation paid, payable, awarded, granted, given or otherwise provided during each of 2017, 2018 and 2019 to each of the Named Executive Officers.

Name and Principal Position	Year	Salary <sup>(1)</sup> (\$)	Share-based awards <sup>(2)</sup> (\$)	Option-based awards <sup>(3)</sup> (\$)	Non-equity incentive plan compensation		Pension value <sup>(5)</sup>	All other compensation <sup>(6)</sup> (\$)	Total compensation (\$)
					Annual incentive plans <sup>(4)</sup> (\$)	Long-term incentive plans (\$)			
<b>David LeMay</b>									
President and Chief Executive Officer	2019	650,000	975,000	Nil	Nil	Nil	Nil	81,800	1,706,800
	2018	620,587	750,000	Nil	Nil	Nil	Nil	78,859	1,449,446
	2017	540,750	660,000	220,000	459,638	Nil	Nil	70,875	1,951,263
<b>Daryl Sands</b>									
Executive Vice President and Chief Financial Officer	2019	292,354	428,870	Nil	Nil	Nil	Nil	1,660,940	2,388,164
	2018	408,447	428,870	Nil	Nil	Nil	Nil	57,645	894,962
	2017	408,447	321,652	107,217	263,755	Nil	Nil	53,768	1,154,839
<b>Dean Beacon</b>									
Interim Chief Financial Officer	2019	105,000	Nil	Nil	Nil	Nil	Nil	Nil	105,000
	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Robert Myles</b>									
Chief Operating Officer Industrial Group	2019	375,360	482,664	Nil	Nil	Nil	Nil	1,071,831	1,929,855
	2018	433,385	397,800	Nil	Nil	Nil	Nil	60,138	891,323
	2017	410,000	276,750	92,250	229,990	Nil	Nil	57,800	1,066,790
<b>John Krill</b>									
Chief Operating Officer Commercial Systems Group	2019	320,000	208,000	Nil	Nil	Nil	16,000	30,400	574,000
	2018	314,615	240,000	Nil	Nil	Nil	22,414	30,134	607,159
	2017	213,462	Nil	Nil	133,650	Nil	7,500	20,919	375,531
<b>Joette Decore</b>									
Executive Vice President Strategy and Development	2019	314,474	244,800	Nil	Nil	Nil	Nil	941,049	1,500,323
	2018	304,385	244,800	Nil	Nil	Nil	Nil	47,238	596,423
	2017	294,797	270,000	Nil	128,250	Nil	Nil	46,280	739,327

#### Notes:

- (1) Salary reported is actual salary paid in the calendar year and may differ from the executive's base salary as a result of the timing of pay periods in the calendar year. For Mr. Beacon, this amount was paid pursuant to a personal services agreement.
- (2) Represents the value of PSUs and RSUs awarded as at the applicable grant date in accordance with the Unit Plan. The actual value realized upon the future vesting and payment of such awards may be greater or less than the grant date fair value indicated.
- (3) Represents the fair value of Stock Options awarded pursuant to the LTIP in accordance with the 2007 Stock Option Plan as at the grant date. The key assumptions and estimates used in the Black Scholes model for the calculation of the grant date fair value of the options granted to: (a) all Named Executive Officers receiving options on April 1, 2017, include the weighted average expected option life of 7 years, the weighted average expected volatility of 38.41%, the weighted average expected dividend yield of 7.83% and a risk free rate of 1.31%; and (b) all Named Executive Officers receiving options on March 8, 2016, include the weighted average expected option life of 7 years, the weighted average expected volatility of 44.13%, the weighted average expected dividend yield of 8.21% and a risk free rate of 0.95%.
- (4) Represents the annual cash bonus awards (STIP) earned by the Named Executive Officers in the applicable fiscal year.
- (5) As an employee of the Commercial Systems Group, Mr. Krill participates in the Commercial Systems Group defined contribution pension plan instead of receiving RRSP matching.
- (6) Other than as detailed in the section below with the heading "Perquisites and Other Personal Benefits", perquisites and other personal benefits that do not exceed the lesser of \$50,000 and 10% of the total of the annual salary for the Named Executive Officers and are not reported.

### All Other Compensation

The table below sets out the details pertaining to the perquisites and other personal benefits awarded to each of the Named Executive Officers for 2017, 2018 and 2019, and, in the cases of Messrs. Sands and Myles and Ms. Decore, the amount paid or payable pursuant to the termination of his or her employment without cause. In each case the termination payments were made in accordance with the applicable person's written employment agreement with the Corporation, subject to negotiation of deferral of certain payments at the request of the Corporation.

Name	Year	Matching RRSP Contributions (\$) <sup>(1)</sup>	Matching under the Employee Share Purchase Plan <sup>(1)</sup>	Vehicle Allowance	Termination Payments <sup>(3)</sup>
David LeMay	2019	32,500	32,500	16,799	N/A
	2018	31,029	31,029	16,800	N/A
	2017	27,037	27,037	16,800	N/A
Daryl Sands	2019	14,617	14,617	12,018	1,619,686
	2018	20,422	20,422	16,800	-
	2017	20,422	20,422	12,923	-
Dean Beacon	2019	-	-	-	N/A
	2018	-	-	-	N/A
	2017	-	-	-	N/A
Robert Myles	2019	18,768	18,768	13,892	1,020,402
	2018	21,669	21,669	16,800	-
	2017	20,500	20,500	16,800	-
John Krill <sup>(2)</sup>	2019	-	15,999	14,400	N/A
	2018	-	15,730	14,400	N/A
	2017	-	10,673	10,246	N/A
Joette Decore	2019	15,723	15,723	17,252	892,349
	2018	15,219	15,219	16,800	-
	2017	14,740	14,740	16,800	-

#### Notes:

- (1) See the section with the heading "Executive Compensation Discussion and Analysis – PSU Performance & Payouts – Other Compensation Plans."
- (2) As an employee of the Commercial Systems Group, operating under the name Commercial Systems Group Systems Ltd., Mr. Krill participates in the Commercial Systems Group defined contribution pension plan instead of receiving RRSP matching.
- (3) Includes payment of all accrued and banked vacation as well as the payments triggered by termination without cause pursuant to the applicable employment agreement. See the section with the heading "Executive Compensation Discussion and Analysis – Termination without Cause."



The following table sets forth for each of the Named Executive Officers all awards outstanding as at December 31, 2019 under the 2007 Stock Option Plan, as awards under the 2007 Stock Option Plan are considered “option-based awards” under applicable securities laws, and the Unit Plan, as awards of PSUs and RSUs under the Unit Plans are considered “share-based awards” under applicable securities laws.

Named Executive Officer	Option-Based Awards				Share-Based Awards		
	Number of Common Shares underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested <sup>(2)</sup> (#)	Market or payout value of share-based awards that have not vested <sup>(3)</sup> (\$)	Market or payout value of vested share-based awards not paid out or distributed <sup>(4)</sup> (\$)
David LeMay	120,396	7.50	Apr 1, 2023	Nil	265,063 PSUs 218,021 RSUs	763,273	6,989
	63,369	9.94	Sep 13, 2024	Nil			
	50,000	9.94	Sep 13, 2024	Nil			
	152,926	5.77	Apr 1, 2025	Nil			
	224,490	5.80	Mar 8, 2026	Nil			
252,874	5.90	Apr 1, 2027	Nil				
John Krill	Nil	Nil	Nil	Nil	42,764 PSUs 42,764 RSUs	135,135	Nil
Joette Decore <sup>(5)</sup>	32,242	7.50	Mar 29, 2020	Nil	-	-	-

**Notes:**

- (1) The value of the unexercised in-the-money Stock Options has been calculated as at December 31, 2019 as determined based on the excess of the closing price of the Common Shares on the TSX on December 31, 2019 of \$1.91 per share over the exercise price of such Stock Options. The actual value realized upon the exercise of such Stock Options may be greater or less than the value indicated.
- (2) PSUs and RSUs are granted pursuant to the Unit Plan.
- (3) The value of the unvested share-based awards has been calculated as at December 31, 2019 as determined based on the cash value of the PSUs and RSUs held by the Named Executive Officer at the date of determination. The relative value of a PSU has been calculated assuming the Corporation had achieved target performance and 100% of the PSUs had vested on December 31, 2019. The cash value of one PSU and RSU on December 31, 2019 would have been \$1.58 for Units granted under the Unit Plan.
- (4) The amounts represent the cash value of DSUs held by each Named Executive Officer as at December 31, 2019. The amounts have been calculated based upon each DSU having a value of \$1.86, being the weighted average trading price of the Common Shares on the TSX for the five trading days immediately preceding December 31, 2019.
- (5) Pursuant to the terms of the 2007 Stock Option Plan, all of Ms. Decore’s options terminate at the close of business on the date that is ninety days after her last day of employment, which was December 31, 2019. Pursuant to the terms of Ms. Decore’s employment agreement all of her PSUs and RSUs (a total of 44,975 PSUs and 44,975 RSUs) vested and were paid out on December 31, 2019, the last date of her employment.

### Incentive Plan Awards – Value Vested or Earned During the Year

The following table provides details of the value of option-based and share-based awards that vested during the financial year ended December 31, 2019 and the value of annual incentive awards earned in respect of 2019 for each of the Named Executive Officers.

Named Executive Officer	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year <sup>(2)</sup> (\$)
David LeMay <sup>(1)</sup>	Nil	145,156	Nil
Daryl Sands <sup>(3)</sup>	Nil	372,343	Nil
Robert Myles <sup>(4)</sup>	Nil	347,094	Nil
John Krill <sup>(1)</sup>	Nil	Nil	Nil
Joette Decore <sup>(5)</sup>	Nil	202,307	Nil

**Notes:**

- (1) For Mr. LeMay and Mr. Krill, the disclosed amount consists of PSUs and RSUs granted in 2016. The Corporation's relative performance for the three-year period ending in 2019 corresponded to a payout of 45% of the value of the PSUs underlying that award.
- (2) There were no annual incentive plan payments made to the Named Executive Officers for the 2019 calendar year. See the Section with the heading "Executive Compensation Discussion and Analysis – Description of Components of Compensation" for an explanation of awards for STIP earned by the Named Executive Officers in respect of the financial year ended December 31, 2019.
- (3) The number of share-based awards vesting during the year for Mrs. Sands reflects the sum of the vesting of RSUs granted in 2016 (\$70,739) and the automatic vesting of PSUs and RSUs (\$301,604) in connection with the termination of his employment.
- (4) The number of share-based awards vesting during the year for Mr. Myles reflects the sum of the vesting of RSUs granted in 2016 (\$50,723) and the automatic vesting of PSUs and RSUs (\$296,371) in connection with the termination of his employment.
- (5) The number of share-based awards vesting during the year for Ms. Decore reflects the sum of the vesting of RSUs granted in 2016 (\$60,184) and the automatic vesting of PSUs and RSUs (\$142,123) in connection with the termination of her employment.

### Employment, Termination and Change of Control Benefits

Mr. LeMay and Mr. Krill have written employment agreements with the Corporation. The employment agreements govern the relationship between the individual Named Executive Officer and the Corporation in the case of certain scenarios including the following: (a) termination of the Named Executive Officer without cause, including constructive dismissal; and (b) in the case of Mr. LeMay, termination without cause or for "good reason" following a change of control of the Corporation. As interim Chief Financial Officer, Mr. Beacon was retained pursuant to a personal services agreement. None of Messrs. Sands, Myles or Ms. Decore was employed by the Corporation after December 31, 2019, and accordingly, other than the termination without cause payments described below, the terms of their employment agreements are not disclosed. For disclosure on payments made to each in connection with the termination of his or her employment, see the chart above with the heading "All Other Compensation".<sup>2</sup>

For the purposes of Mr. LeMay's employment agreement, a "change of control of the Corporation" means the occurrence of any one or more of the following events:

- (a) the acquisition, by whatever means, by a third party of more than a majority of the voting securities of the Corporation;
- (b) the amalgamation, consolidation or merger of the Corporation with another entity pursuant to which Shareholders immediately prior to such transaction do not own voting securities of the successor or continuing corporation which would entitle them to cast more than 50% of the votes attaching to shares in the capital of the successor or continuing corporation;
- (c) the election at a meeting of Shareholders of that number of persons which would represent a majority of the Board, as Directors who are not included in the slate for election as Directors proposed by the Corporation;
- (d) the sale, lease, transfer, or other disposition of all or substantially all of the assets of the Corporation;

<sup>2</sup> For additional details of the written employment agreements formerly in place for each of these NEOs please see the Corporation's 2019 Management Information Circular on the Corporations profile on [www.sedar.com](http://www.sedar.com).

- (e) the decision to liquidate, dissolve or wind-up the Corporation;
- (f) the transfer of the head offices of the Corporation from Calgary, Alberta;
- (g) the completion of any transaction or the first of a series of transactions which would have the same or similar effect as any transaction or series of transactions referred to in subsections (a) through (e) referred to above; or
- (h) a determination by the Board of Directors that a change of control has occurred.

Neither the Unit Plan nor the Stock Option Plans provide for automatic vesting of PSUs, RSUs, or Stock Options upon the occurrence of a change of control of the Corporation. Any automatic vesting of those entitlements would occur only in accordance with the provisions of an individual's employment agreement.

Similarly, for the purposes of this section, "good reason" in the context of a change of control can be summarized as generally meaning the occurrence of any one or more of the following events:

- (a) a materially adverse change in the executive's position, duties, or responsibilities other than as a result of the executive's physical or mental incapacity;
- (b) a materially adverse change in the executive's reporting relationship that is inconsistent with the executive's title or position;
- (c) a material increase in the duties and responsibilities of the executive without a corresponding reasonable increase in the executive's compensation;
- (d) a reduction in the executive's base salary or benefits;
- (e) the relocation of the executive without his or her consent; or
- (f) a material reduction in the benefits provided to the executive.

#### **Management Retirement Policy**

The Corporation has implemented a formal retirement policy that applies to its employees. The policy provides that in order to be eligible for retirement an employee must: (a) be employed by the Corporation at the time he or she reaches the age of 60; and (b) have worked for the Corporation for a minimum of two consecutive years. Subject to approval of the President and Chief Executive Officer and provided that the foregoing conditions are met, a retiring employee is entitled to retain all RSUs, PSUs and Stock Options held at the time of retirement. All of such awards continue to be subject to the original vesting conditions at the time of award including, without limitation, the "corporate objectives" applicable to the PSUs. Any Stock Options outstanding expire on the earlier of: (a) five years from the date of grant; or (b) the original expiry date of such Stock Options. The policy also provides that any outstanding awards will be cancelled in the event that the retired employee is subsequently employed by a competitor of the Corporation. The foregoing policy applies to all employees of the Corporation, other than certain employees that continue to be subject to a previous version of the policy.

### Termination Following a Change of Control

In the event of a termination of the employment agreement following a change of control of the Corporation, in addition to his entitlements under employment law such as to be paid all accrued and unpaid salary as of the termination date, Mr. LeMay would be entitled to the following pursuant to his employment agreement:

Named Executive Officer	Date of Agreement	Base Salary Payment	STIP Payment	Treatment of Stock Options and Share Units
David LeMay	May 31, 2013	24 months plus 20% for benefits	Target STIP for each completed month of applicable calendar year as at the date of termination plus 2X target STIP	<ul style="list-style-type: none"> <li>Units fully vest at 100% of performance target</li> <li>Stock Options vest and must be exercised earlier of the regular expiry date or 90 days from the date of termination</li> </ul>

### Termination Without Cause

In the event of a termination of the employment agreement without cause, in addition to their entitlements under employment law such as to be paid all accrued and unpaid salary as of the termination date, each of the Named Executive Officers would be, or was entitled to the following pursuant to his or her employment agreement:

Named Executive Officer	Base Salary Payment	STIP Payment	Treatment of Share Units and Stock Options
David LeMay	24 months plus 20% for benefits	Target STIP for each completed month of applicable calendar year as at the date of termination plus 2X target STIP	<ul style="list-style-type: none"> <li>Units vest on a prorated basis, where applicable, at 100% of performance target</li> <li>Stock Options which have not vested shall be forfeited and all vested options will have an exercise date being the earlier of the regular expiry date or 90 days from the date of termination</li> </ul>
Daryl Sands <sup>(1)</sup>	18 months	Target STIP for each completed month of applicable calendar year as at the date of termination plus 1.5X target STIP	<ul style="list-style-type: none"> <li>Units vest on a prorated basis, where applicable, at 100% of performance target</li> <li>Stock Options which have not vested shall be forfeited and all vested options will have an exercise date being the earlier of the regular expiry date or 90 days from the date of termination</li> </ul>
Dean Beacon <sup>(2)</sup>	N/A	N/A	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Robert Myles <sup>(1)</sup>	18 months	-	<ul style="list-style-type: none"> <li>Units vest on a prorated basis, where applicable, at 100% of performance target</li> <li>Stock Options which have not vested shall be forfeited and all vested options will have an exercise date being the earlier of the regular expiry date or 90 days from the date of termination</li> </ul>
John Krill	12 months	-	<ul style="list-style-type: none"> <li>Subject to the discretion of the Corporation's Chief Executive Officer, the maximum number of Units that may vest is prorated where applicable, at 100% of performance target</li> </ul>
Joette Decore <sup>(1)</sup>	18 months	Target STIP for each completed month of applicable calendar year as at the date of termination plus 1.5X target STIP	<ul style="list-style-type: none"> <li>Units vest on a prorated basis, where applicable, at 100% of performance target</li> <li>Options which have not vested shall be forfeited and all vested options will have an exercise date being the earlier of the regular expiry date or 90 days from the date of termination</li> </ul>

#### Notes:

- (1) Each of Messrs. Sands and Myles and Ms. Decore received the payments applicable to this disclosure subject to modification pursuant to a negotiated payment schedule at the request of the Corporation. For further details, see the chart above with the heading "All Other Compensation".
- (2) Mr. Beacon's personal services agreement has a fixed term and does not provide him with compensation upon termination or expiry.

### Estimated Termination Payments

The following table summarizes the payments to which each Named Executive Officer would have been entitled if his employment had been terminated on December 31, 2019 in various scenarios, including by the Corporation without cause or, in the case of certain Named Executive Officers, by the Named Executive Officer as a result of “good reason” following a “change of control” of the Corporation or retirement:

Named Executive Officer	Termination Following Change of Control <sup>(1)</sup> (\$)	Termination Without Cause (incl. Constructive Dismissal) <sup>(2) (3)</sup> (\$)	Retirement (\$) <sup>(4)</sup>
David LeMay	4,150,261	3,788,558	6,982
Dean Beacon	N/A	N/A	N/A
John Krill	-	373,640	-

**Notes:**

- (1) This includes termination by the Corporation following a “change of control” or termination by the executive for “good reason” following a change of control of the Corporation. See the above content in this section with the heading “Executive Compensation Discussion and Analysis – Employment, Termination and Change of Control Benefits” for the relevant definitions of “change of control” and “good reason”. The amounts do not include funds received pursuant to the sale of any Common Shares owned by the executive.
- (2) The amounts do not include funds received pursuant to the sale of any Common Shares owned by the executive.
- (3) For the purposes of termination without cause, the amounts assume that the Board would have exercised its discretion to 100% vest all LTIPs which would be paid out on a prorated basis.
- (4) The Corporation’s retirement policies would not have applied to any of the Named Executive Officers as at December 31, 2019. Mr. LeMay, would, however, have been entitled to receive a payout on DSUs that he held at December 31, 2019 in the event of retirement.

### MANAGEMENT CONTRACTS

During the most recently completed financial year, with the exception of Mr. Beacon’s personal services agreement as the interim Chief Financial Officer, no management functions of the Corporation were to any substantial degree performed by a person or company other than the Directors or executive officers of the Corporation (or private companies controlled by them, either directly or indirectly).

### INDEBTEDNESS OF DIRECTORS OR NAMED EXECUTIVE OFFICERS

No Director, executive officer or employee of the Corporation, or former Director, executive officer or employee of the Corporation nor any of their associates or affiliates, is, or has been at any time since the beginning of the last completed financial year, indebted to the Corporation nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

As at December 31, 2019, the 2007 Stock Option Plan and 2019 Treasury Plan were the only compensation plans providing for the issuance of equity securities from treasury. General information regarding each of those plans is set out under the heading “Executive Compensation Discussion and Analysis – Stock Option Plan” and in Schedules “B” and “C” of this Circular. The following table sets forth securities of the Corporation that are authorized for issuance as at December 31, 2019.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights <sup>(1)</sup>	Weighted-average exercise price of outstanding options, warrants and rights (\$)	Number of securities remaining available for future issuance under equity compensation plans <sup>(2)</sup>
Equity compensation plans approved by security holders	1,206,684	5.72	1,991,671
Equity compensation plans not approved by security holders	-	-	-
Total	1,206,684		1,991,671

**Notes:**

- (1) Number of outstanding Stock Options under the 2007 Stock Option Plan.
- (2) Number of authorized Common Shares under the 2019 Treasury Plan, pursuant to which no Share Units or Stock Options have been granted.

## **INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

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Other than as set forth above, or as previously disclosed, the Corporation is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any Director or executive officer, proposed nominee for election as a Director or any Shareholder holding more than 10% of the Common Shares or any associate or affiliate of any of the foregoing in any transaction in the preceding financial year or any proposed or ongoing transaction of the Corporation which has or will materially affect the Corporation.

## **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

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Except as otherwise set out herein, to the knowledge of the Directors and executive officers of the Corporation, no Director or executive officer of the Corporation or any proposed nominee of Management for election as a Director of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting.

## **OTHER BUSINESS**

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While there is no other business other than that business mentioned in the Notice of Meeting to be presented for action by the Shareholders at the Meeting, it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.

## **ADDITIONAL INFORMATION**

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Additional information relating to the Corporation is available under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information pertaining to the Corporation's most recently completed financial year is provided in the Corporation's comparative financial statements and Management's Discussion and Analysis available under the Corporation's profile on SEDAR. A Shareholder may contact the Corporation at Stuart Olson Investor Relations, 600, 4820 Richard Road SW, Calgary, Alberta T3E 6L1 to obtain a copy of the Corporation's most recent financial statements and Management's Discussion and Analysis. This information is also available on the Corporation's website ([www.stuartolson.com](http://www.stuartolson.com)).

## **BOARD OF DIRECTORS APPROVAL**

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The contents and the sending of this Circular have been approved by the Board of Directors.

## SCHEDULE "A" WRITTEN MANDATE OF THE BOARD OF DIRECTORS

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The Board of Directors (the "**Board**") of Stuart Olson Inc. (the "**Corporation**") is elected by the Corporation's shareholders to supervise the management of the business and affairs of the Corporation pursuant to the powers vested in its articles and by-laws, and in accordance with the obligations under regulatory and public law.

Within its stewardship responsibility the Board is to preserve and enhance the viability of the Corporation and to ensure that it is managed in the interests of the shareholders as a whole in conformity with the law and legitimate interests of other stakeholders.

The Board delegates the responsibility for the day-to-day conduct of business to the management of the Corporation, through its President and Chief Executive Officer ("**CEO**"), within a policy framework established by the Board. In executing their responsibilities, each of the members of the Board is entitled to rely on the advice, reports and opinions of management.

### **Board of Directors**

#### *Board Composition*

The composition of the Board should balance the following goals:

- (a) The size of the Board should facilitate substantive discussions of the whole Board in which each Director can participate meaningfully;
- (b) The composition of the Board should encompass a broad range of skills, expertise, industry knowledge, diversity of opinion and contacts relevant to the Corporation's business;
- (c) Membership on the Board shall include an appropriate number of Directors whom the Board has determined have no material relationship with the Corporation or its principal shareholders and who are otherwise considered independent as contemplated by National Policy 58-201 *Corporate Governance Guidelines*;
- (d) In the event that a Director is determined not to be independent, the basis of such determination shall be disclosed; and
- (e) The Chair of the Board shall be an independent Director within the meaning of National Policy 58-201 *Corporate Governance Guidelines*.

### **Meetings**

#### *Frequency of Meetings*

The Board holds regularly scheduled meetings on a quarterly basis as well as additional meetings to consider particular issues or strategic planning. Meetings may be called from time to time as determined by the needs of the Corporation's business. The record of the Directors in attendance shall be noted for each meeting of the Board and attendance records for each Director shall be compiled annually. Directors will strive for 100% attendance and are expected to attend at least 75% of all Board meetings.

#### *Selection of Agenda Items for Board Meetings*

The Chair, in consultation with the CEO and the Corporate Secretary, establishes the agendas for Board meetings. Any Board member, however, may recommend the inclusion of specific agenda items. The agenda is distributed in advance of a meeting to each Director.

#### *Board Materials Distributed in Advance*

Information, data and presentation materials that are important to the Board's understanding of the business are distributed in writing to the Board before each meeting. Management should provide materials that are as concise as possible while giving Directors sufficient information, and time for review (subject to availability of time sensitive materials), to make informed decisions. Under certain circumstances, written materials may be unavailable to Directors in advance of a meeting, and certain items to be discussed at Board meetings may be of a sensitive nature such that the distribution of materials on these matters prior to the Board meeting would not be appropriate.



### *Management at Meetings*

The Board invites members of management, in addition to the CEO and the Chief Financial Officer, to attend Board meetings from time to time to make presentations and provide additional insight into the various operations of the Corporation.

### *In-Camera Meetings*

To encourage free and open discussion and communication among the non-management Directors of the Board, the independent Directors may meet during, or at the end of each Board meeting, without members of management present.

## **Board Mandate**

The core responsibilities of the Board include stewardship and oversight in the following areas:

### *Strategic Planning*

The Board ensures that the Corporation adopts a strategic planning process to guide its activities and address the opportunities and risks of the business. The Board shall meet at least annually to review the plan. In addition, at each regular meeting, the Board reviews the Corporation's overall business strategies, its business plan, as well as major strategic initiatives, to allow the Board to evaluate whether the Corporation's proposed actions are generally in accordance with its objectives.

### *Identification of Principal Risks*

The Board, directly and through the Audit Committee, reviews the principal risks of the Corporation's business and the appropriateness of the systems put in place to manage these risks.

### *Selection and Remuneration of the CEO and the Senior Management Team*

The Board is responsible for selecting the CEO and for approving the selection of the members of the senior management team. Communication with the management team is through the CEO and the Board is responsible for judging the effectiveness of this officer and replacing him if such action is deemed to be in the best interests of the Corporation. The Board is also responsible for providing an effective system of remuneration. These functions are performed with the benefit of advice from the Human Resources and Compensation Committee.

### *Succession Planning*

On a regular basis, the Board reviews a succession plan, developed by management, addressing the policies and principles for selecting a successor to the CEO and other key senior management positions, both in an emergency situation and in the ordinary course of business. The succession plan should include an assessment of the experience, performance, skills, training and planned career paths for possible successors to the CEO currently in the Corporation's senior management.

### *Financial Reporting and Internal Controls*

The Board, acting through the Audit Committee, oversees the financial reporting and regulatory filing and disclosures of the Corporation. This includes monitoring the implementation of appropriate internal control systems to ensure the accuracy and timeliness of the information.

### *Communication Policy*

The *Policy Regarding Disclosure and Confidentiality* established by the Board summarizes practices regarding disclosure of material information to investors, analysts and the media. The Board, in consultation with the Corporate Governance and Nominating Committee, monitors and advises on compliance with this Policy.

### *Evaluating Board Performance*

The Board, acting through the Corporate Governance and Nominating Committee, conducts an evaluation, at least annually, to assess the effectiveness of the Board, its Committees, the Chair, and individual Directors. In addition, the Corporate Governance and Nominating Committee periodically considers the mix of skills and experience that Directors bring to the Board to assess whether the Board has the necessary tools to perform its oversight function effectively.

*Issuer's Approach to Corporate Governance*

The Corporation is committed to effective practices in corporate governance. The Corporation consistently assesses and adopts corporate governance measures. The Corporate Governance and Nominating Committee shall be responsible for disclosing the Corporation's approach to corporate governance in public disclosure documents.

*Whistleblowing Policy*

The Board has established a *Policy Regarding Whistleblowing*, which establishes the complaint procedure for concerns about any aspect of the Corporation's activities and operations.

*Shareholder Feedback*

The Board monitors management in its ongoing development of appropriate investor relations programs and procedures to receive and respond to shareholder feedback.

## SCHEDULE "B" SUMMARY OF THE 2007 STOCK OPTION PLAN

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The 2007 Stock Option Plan has been discontinued, but applies to all Stock Options outstanding and not cancelled or exercised as of May 20, 2019. The discontinuance of the 2007 Stock Option Plan does not alter or impair any outstanding Stock Options. Upon the exercise, cancellation or forfeiture of all stock options issued under the 2007 Stock Option Plan, the plan will automatically and without further action, terminate.

The following is a summary of the principal terms of the 2007 Stock Option Plan. Full details of the 2007 Stock Option Plan can be found under the Corporation's profile at [www.sedar.com](http://www.sedar.com).

### **Stock Options**

Each Stock Option grants the holder thereof the right to purchase one Common Share upon payment of the specified exercise price determined at the time the Stock Option is granted. The exercise price per Common Share shall be fixed by the Board of Directors, at the time of grant but under no circumstances shall any exercise price at the time of the grant be lower than the five day volume weighted average trading price of the Common Shares on the TSX as of the date of grant or such other minimum price as may be required by any stock exchange on which the Common Shares are listed at the time of grant. All Stock Options expire on the date that is ten years from the date of grant, subject to a shortening to five years after the date of retirement pursuant to the Corporation's retirement policies.

The "cashless exercise" feature of the 2007 Stock Option Plan has been suspended indefinitely. Accordingly, the exercise notice of each Stock Option must be accompanied by payment in full of the purchase price for the Common Shares underlying the Stock Options to be acquired. No Common Shares will be issued upon the exercise of Stock Options in accordance with the terms of the grant until full payment therefor has been received by the Corporation. The 2007 Stock Option Plan also provides for a cashless exercise option or settlement in cash.

### **Maximum Issuances under the 2007 Stock Option Plan**

- (a) the aggregate number of Common Shares reserved for issuance to any one person under the 2007 Stock Option Plan, together with all other security-based compensation arrangements of the Corporation, must not exceed 5% of the then outstanding Common Shares (on a non-diluted basis);
- (b) in the aggregate, no more than 10% of the then outstanding Common Shares (on a non-diluted basis) may be reserved at any time for insiders under the 2007 Stock Option Plan, together with all other security-based compensation arrangements of the Corporation; and
- (c) the number of securities of the Corporation issued to insiders within any one-year period, under all security-based compensation arrangements, cannot exceed 10% of the issued and outstanding Common Shares.

### **Blackout Extension**

The 2007 Stock Option Plan includes blackout provisions pursuant to which there are predetermined periods each year during which Directors, officers and certain employees are precluded from trading in the Corporation's securities. The blackout period is designed to prevent a person from trading while that person may possess or may appear to possess material information that is not yet available to the public. In addition to the regularly scheduled blackout periods, the Corporation reserves the right under the 2007 Stock Option Plan to declare blackout periods should the need arise. Should a Stock Option expiration date fall within a blackout period or within ten business days following a blackout period, the expiration date will automatically be extended for ten business days following the end of the blackout period.

### **Cessation of Employment**

In the event that an option holder ceases to be engaged by the Corporation as a result of voluntary termination by the option holder, all Stock Options held by that person shall be cancelled or shall vest as applicable, depending on the holder's employment agreement with the Corporation and the policies in effect at the applicable time. In the event that an option holder's employment is terminated by the Corporation, the option holder has a period of 90 days in which to exercise any vested Stock Options and any unvested Stock Options are immediately cancelled. In the event of death or permanent disability of an option holder, all Stock Options held by that person vest immediately and the option holder or his or her estate, as the case may be, has a period of one year from the date of vesting to exercise such Stock Options. In the event that an option holder retires from the Corporation, the treatment of Stock Options held by such option holder is governed by the terms of the Corporation's Management-related retirement policy. At the discretion of

the Board of Directors, the expiry date may be extended; however, in no event will a Stock Option be exercisable at a date in excess of 10 years from the date of grant, without the approval of the TSX.

**Amendment of the Plan**

The Board of Directors may amend the 2007 Stock Option Plan and Stock Options granted under it, without Shareholder approval, provided that the Board shall not be permitted, in the absence of Shareholder and TSX approval to:

- (a) reduce the exercise price or cancel and reissue Stock Options or other entitlements including those held by non-insiders of the Corporation;
- (b) extend the expiry date of a Stock Option held by any insider of the Corporation (subject to such date being extended by virtue of the blackout provision noted above);
- (c) amend the limitations on the maximum number of Common Shares reserved or issued to insiders;
- (d) change the eligible participants under the 2007 Stock Option Plan, including permitting non-Management Directors of Stuart Olson or its subsidiaries to participate in the 2007 Stock Option Plan;
- (e) permit Stock Options granted under the plan to be transferable or assignable other than for normal estate settlement purposes;
- (f) increase the maximum number of Common Shares issuable pursuant to the 2007 Stock Option Plan; or
- (g) amend the amendment provisions of the 2007 Stock Option Plan.

## SCHEDULE "C" SUMMARY OF THE 2019 STOCK OPTION & TREASURY PLAN

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The following is a summary of the material provisions of the 2019 Stock Option and Treasury Plan (the "**Plan**"). This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Plan, the full text of which is set out in Schedule "C" to the Corporation's 2019 Information Circular which can be found under the Corporation's profile at [www.sedar.com](http://www.sedar.com).

### **Participation**

The Board may invite "Eligible Persons" to participate in the Plan. Eligible Persons include employees and consultants of the Corporation or any of its affiliates, provided that non-executive Directors are not eligible for awards granted under the Plan.

### **Type of Awards**

Stock Options and Share Units (together, the "**Awards**") may be issued under the Plan. All of the Awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting and forfeiture provisions determined by the Board in its sole discretion, and subject to such limitations provided in the Plan, and will be evidenced by an Award agreement. In addition, subject to the limitations provided in the Plan and in accordance with applicable law, the Board may accelerate or defer the vesting or payment of Awards, cancel or modify outstanding Awards, and waive any condition imposed with respect to Awards or Common Shares of the Corporation issued pursuant to Awards.

### Stock Options

A Stock Option is a right to purchase a Common Share upon the payment of a specified exercise price as determined by the Board at the time the Stock Option is granted. The exercise price shall not be less than the volume weighted average trading price of the Common Shares on the TSX for the 5 trading days immediately prior to the grant date of the Stock Option.

In no event shall any Stock Option vest earlier than the first anniversary of the grant date, and in no event will the expiry date be later than the date which is ten years following the grant date. Otherwise, Stock Options may be subject to such vesting and other terms and conditions as determined by the Board, which shall not be inconsistent with the provisions of the Plan.

The exercise notice of a Stock Option must be accompanied by payment in full of the purchase price for the Common Shares underlying the Stock Options to be acquired. No Common Shares will be issued upon the exercise of Stock Options in accordance with the terms of the grant until full payment therefor has been received by the Corporation. The Plan also provides for a cashless exercise option or settlement in cash.

### Share Units

A Share Unit is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Corporation which entitles the holder to receive Common Shares or cash based on the price of the Common Shares at some future date. Pursuant to the terms of the Plan, Share Units shall be subject to time based, or performance based, vesting and other terms and conditions as determined by the Board, which shall not be inconsistent with the provisions of the Plan. The Board may modify the performance based vesting conditions to any Share Unit as necessary to align them with the Corporation's corporate objectives if there are subsequent changes in the Corporation's business, operations or capital or corporate structure.

In no event shall any Share Unit vest earlier than the first anniversary of the grant date or vest and be payable later than December 31<sup>st</sup> of the third calendar year following the year of service for which the Share Unit was granted. All vesting conditions shall be such that the Share Unit will comply with the exception to the definition of "salary deferral arrangement" contained in paragraph (k) of subsection 248(1) of the Income Tax Act (Canada) or any successor provision thereto.

### **Maximum Issuances Under the Plan**

The grant of Awards under the Plan is subject to the following limitations:

- (a) the aggregate number of Common Shares that are issuable to insiders (as defined by the TSX from time to time in its rules and regulations governing security based compensation arrangements) pursuant to Awards under the Plan, and any other treasury-based compensation arrangement adopted by the Corporation cannot exceed 10% of the issued and outstanding Shares;

- (b) the aggregate number of Common Shares that may be issued to insiders pursuant to Awards under the Plan, and any other treasury-based compensation arrangement adopted by the Corporation within a one-year period cannot exceed 10% of the issued and outstanding Common Shares; and
- (c) the aggregate number of Common Shares reserved for issuance to any one person under any treasury-based compensation arrangement adopted by the Corporation, must not exceed 5% of the then outstanding Common Shares (on a non-diluted basis).

The 2007 Stock Option Plan is the only other security based compensation arrangement (as defined by the TSX) adopted by the Corporation.

### **Aggregate Maximums Number under the Plan**

Subject to the adjustment provisions provided for in the Plan, a total of 1,991,671 Common Shares are reserved for issuance pursuant to Awards granted under the Plan, with such aggregate number being comprised of 1,158,178 Common Shares issuable on the exercise of the same number of Stock Options and 833,493 Common Shares issuable on the settlement of the same number of Share Units. Common Shares issued pursuant to Awards granted under the Plan that expire, or are terminated, forfeited or cancelled, will again be available for issuance pursuant to Awards subsequently granted under the Plan.

### **Settlement**

Unless otherwise set out in a particular Award agreement, the Board may, in its absolute discretion, elect one or any combination of the following payment methods for the settlement of vested Share Units (a "**Vested Share Unit**"):

- (a) issuing a number of Common Shares from treasury to the participant equal to the number of Vested Share Units on the relevant date, less the number of Common Shares that results by dividing the applicable withholding taxes by the Market Price (as such term is defined in the Plan) as at the relevant settlement date;
- (b) causing a broker to purchase Common Shares on the TSX for the account of the participant using an amount that results by multiplying (a) the relevant number of Vested Share Units being settled, and (b) the Market Price on the relevant settlement date, net of applicable withholding taxes. The Corporation will pay all brokerage fees and commissions arising in connection with the purchase of Common Shares by the broker in this instance; or
- (c) making a payment in cash to the participant equal to the product that results by multiplying (a) the number of Vested Share Units to be settled and (b) the Market Price on the settlement date, net of applicable withholding taxes.

### **Dividend Equivalents**

Unless otherwise determined by the Board and set forth in the particular Award agreement, Share Units shall be credited with dividend equivalents in the form of additional Share Units, as of each dividend payment date in respect of which normal cash dividends are paid on Common Shares. Upon the Corporation paying a dividend on the Common Shares, the number of Share Units in a participant's account shall be increased by a number equal to: (i) the amount of the dividend paid per Common Share, multiplied by (ii) the number of Share Units, in the participant's account, divided by (iii) the Market Price (as defined in the Plan) at the date that the dividend is paid, with fractions computed to three decimal places. Dividend equivalents credited to a participant's accounts shall vest in proportion to the Share Units to which they relate.

### **Assignment**

Subject to certain exceptions provided under the Plan (including the assignment of Awards to certain Permitted Assigns (as such term is defined in the Plan)), Awards are not transferable or assignable.

### **Blackout Extension**

Where the expiry date for a Stock Option occurs during or within nine business days following the end of a period of time when, pursuant to any policies or determinations of the Corporation, securities of the Corporation may not be traded by a person (a "**Blackout Period**"), the expiry date for such Stock Option shall be extended to the date which is ten business days following the end of such Blackout Period.

## Change in Control

Subject to the terms of a participant's written employment agreement with the Corporation or its affiliates, in the event of a change in control (as such term is defined in the Plan), and except as otherwise provided by the Board in an award agreement or by resolution, the Board will take commercially reasonable efforts to have Awards, whether vested or unvested, continued, assumed or have new rights substituted therefor by a successor entity, as determined by the Board in its absolute discretion, and such Awards shall not immediately vest upon the change in control. In the event that the Board is unable to cause Awards to be treated in the above manner then the Board shall take commercially reasonable efforts to cause all unvested Awards as at the effective date of the change in control to vest immediately prior to time of the change in control and to become payable as at such date with the level of achievement of performance goals for any unvested Awards subject to performance based vesting conditions to be determined by the Board acting reasonably and with reference to the value implied by the event giving rise to the change in control.

Upon or in anticipation of any change in control of the Corporation, the Board may, in its sole and absolute discretion and without the need for the consent of any participant, take one or more of the following actions contingent upon the occurrence of that change in control: (i) cause any or all outstanding Stock Options to become vested and immediately exercisable, in whole or in part; (ii) cause any or all of the outstanding Share Units to become vested and immediately settled in whole or in part; (iii) cause any outstanding Stock Option to become fully vested and immediately exercisable for a reasonable period in advance of the change in control and, to the extent not exercised prior to that change in control, cancel that Stock Option upon closing of the change in control; (iv) cancel any Stock Option in exchange for an equivalent entitlement with respect to the share capital of any successor person or its parent; (v) cancel any Share Units in exchange for an equivalent entitlement with respect to the share capital of any successor person or its parent; and/or (vi) redeem any Share Units for cash and/or other substitute consideration with a value equal to the Market Price (as such term is defined in the Plan) of a Common Share on the date of the change in control.

## Cessation of Employment

The table below sets out the effect that an Eligible Person's cessation of employment or service would have on their Stock Options and Share Units under the Plan:

Component	Resignation	Retirement	Termination with Cause	Termination without Cause	Disability or Death
Stock Options					
	Unvested Stock Options expire and terminate immediately  Vested Stock Options may be exercised before the expiry date of the Stock Options or within 90 days after the resignation date, whichever is earlier	Subject to the terms of the Corporation's Retirement Policy, the Board may provide or determine the circumstances in which Stock Options shall be exercised, vested, paid or forfeited in the event of retirement prior to the exercise such Stock Options	Stock Options, whether vested or not, expire and terminate immediately	Stock Options continue to vest in accordance with their terms and may be exercised before the expiry date of the Stock Options or within 90 days of the termination date, whichever is earlier	<b>Disability:</b> Pro-rata portion of unvested Stock Options vest and may be exercised before the expiry date of the Stock Options  <b>Death:</b> Pro-rata portion of unvested Stock Options vest and may be exercised within 12 months or before the expiry date of the Stock Options, whichever is earlier



Component	Resignation	Retirement	Termination with Cause	Termination without Cause	Disability or Death
Share Units	Unvested Share Units expire and terminate immediately	Vested Share Units settle as soon as practicable following retirement and unvested Share Units will be subject to the terms of the Corporation's Retirement Policy	Unvested Share Units expire and terminate immediately	Vested Share Units settle as soon as practicable following termination  Vesting of unvested Share Units subject to discretion of the HRCC subject to a maximum equal to the prorated number with performance metrics to be determined by the HRCC.	<b>Disability:</b> Pro-rata portion of unvested Share Units continue to vest in accordance with their terms  <b>Death:</b> A pro-rated number of unvested Share Units become fully vested; Share Units with performance metrics to be determined at the higher of the target level or the actual level as determined by the HRCC.

#### No Loans or Financial Assistance

The Plan prohibits the providing of financial assistance to participants to facilitate the payment of the purchase price for Stock Options.

#### Adjustments on Reorganizations

Appropriate adjustments to the Plan and to Awards shall be made, and shall be conclusively determined, by the Board to give effect to adjustments in the number of Common Shares resulting from subdivisions, consolidations, substitutions, or reclassifications of the Common Shares, the payment of stock dividends by the Corporation (other than dividends in the ordinary course) or other reorganisation of the capital of the Corporation in accordance with the rules of any stock exchange.

#### Recoupment

Notwithstanding anything else in the Plan, Awards may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of the Corporation's Incentive Compensation Reimbursement Policy.

#### Amendment of the Plan

The Board may, without Shareholder approval, amend or suspend any provision of the Plan, or terminate the Plan, or amend the provisions of any Award as it, in its discretion, determines appropriate subject to the requirements of any stock exchange, applicable law and the Plan. Such changes include, without limitation: (i) amendments of a "housekeeping" or administrative nature; (ii) amendments necessary to comply with the provisions of applicable law; (iii) amendments necessary under applicable tax laws; (iv) changes to the vesting provisions or other restrictions applicable to any Award, agreement governing an Award or the Plan; (v) changes to the provisions of the Plan, any Award or agreement governing an Award relating to the expiration of Awards prior to their respective expiration dates upon the occurrence of certain specified events determined by the Board; (vi) waiving any conditions or rights under any Awards (subject to the limitations provided in the Plan); (vii) the cancellation of an Award; (viii) amendments necessary to suspend or terminate the Plan; or (ix) any other amendment to the Plan or any Awards that does not require Shareholder approval under the rules of the TSX.

Notwithstanding the above, Shareholder approval shall be required for any amendment that: (i) reduces the exercise price of a Stock Option (ii) extends the term of a Stock Option beyond its original expiry time; (iii) removes or exceeds the limits in the Plan on participation by insiders; (iv) increases the maximum number of Common Shares issuable, either as a fixed number or a fixed percentage of the Corporation's outstanding capital; (v) amends the definition of "Eligible Person" in the Plan in a manner that would permit the introduction of non-employee directors as eligible persons under the Plan; (vi) amends the amendment provisions of the Plan; or (vii) allows for the transfer or assignment of Awards other than to a permitted assign, other than for normal estate settlement purposes.