

# ICPEI HOLDINGS INC

**Notice of Annual General  
and Special Meeting of  
Shareholders to be held  
on**

**Thursday August 18, 2022**

**June 20, 2022**  
in respect of the financial year  
ended December 31, 2021

# ICPEI HOLDINGS INC.

## 1. Notice of Annual and Special General Meeting of Shareholders August 18, 2022

Notice is hereby given that the annual general and special shareholder meeting of the holders of common shares of ICPEI Holdings Inc. (the "Corporation") will be held on August 18, 2022 at 10:00 a.m. AT at 14 Great George Street, Charlottetown, Prince Edward Island (the offices of the Insurance Company of Prince Edward Island) for the following purposes:

1. to receive the Corporation's audited consolidated financial statements for the financial year ended December 31, 2021, and the auditors' report thereon;
2. to elect Directors;
3. to re-appoint auditors and to authorize the Board of Directors to fix their remuneration;
4. to approve the amended Corporation's Stock Option Plan;
5. to approve the amended Corporation's Share Unit Plan;
6. to approve an increase in the number of Share units available for issuance under the Corporations Amended share Unit Plan;
7. to approve grants of Restricted Share Units (RSUs) made pursuant to the amended Corporation's Share Unit Plan;
8. to transact such other business as may properly come before the meeting or any adjournment thereof.

Shareholders are invited to attend the meeting. Registered shareholders who are unable to attend the meeting in person are requested to complete, date and sign the enclosed form of proxy and send it in the enclosed envelope or otherwise to the Secretary of the Corporation c/o Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 or to the Secretary of the Corporation at the Corporation's registered office, which is located at 200 – 2800 Skymark Avenue, Mississauga, Ontario L4W 5A6. Shareholders can also vote by calling toll free number 1-866-732-8683, online at [www.investorvote.com](http://www.investorvote.com) or at the meeting. Non-registered shareholders who receive these materials through their broker or other intermediary should complete and send the voting instruction form in accordance with the instructions provided by their broker or intermediary. To be effective, a proxy must be received by Computershare Investor Services Inc. or the Secretary of the Corporation no later than 9 a.m. (Toronto time) on August 16th, 2022 or in the case of any adjournment of the meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjournment.

DATED the 19th day of May, 2022.

By Order of the Board of Directors

(signed) Kenneth Coulson  
Secretary

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# 1. VOTING INFORMATION FOR PROXIES

## **Solicitation of Proxies**

This Management Information Circular (the "Circular") is furnished in connection with the solicitation, by or on behalf of the management of ICPEI Holdings Inc. (the "Corporation"), of proxies to be used at the Corporation's annual and special general meeting of the holders of common shares (the "Common Shares") to be held on the 18<sup>th</sup> day of August, 2022 (the "Meeting"), or at any adjournment thereof, it is expected that the solicitation will be primarily by mail, but proxies may also be solicited by email or personally, by advertisement or by telephone by directors, officer or employees of the Corporation without special compensations, or by the Corporation's transfer agent, Computershare Investor Services Inc., at nominal cost. The cost of soliciting will be borne by the Corporation.

## **Appointment of Proxyholder**

The person(s) designated by management of the Corporation in the enclosed form of proxy are directors or officers of the Corporation. **Each shareholder has the right to appoint as proxyholder a person or company (who need not be a shareholder of the Corporation) other than the person(s) or company(ies) designated by management of the Corporation in the enclosed form of proxy to attend and act on the shareholder's behalf at the Meeting or at any adjournment thereof.** Such right may be exercised by inserting the name of the person or company in the blank space provided on the enclosed form of proxy or by completing another form of proxy.

Shareholders are invited to attend the meeting. Registered shareholders who are unable to attend the meeting in person are requested to complete, date and sign the enclosed form of proxy and send it in the enclosed envelope or otherwise to the Secretary of the Corporation c/o Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 or to the Secretary of the Corporation at the Corporation's registered office, which is located at 200 – 2800 Skymark Avenue, Mississauga, Ontario L4W 5A6. Shareholders can also vote by calling toll free number 1-866-732-8683, online at [www.investorvote.com](http://www.investorvote.com) or at the meeting. Non-registered shareholders who receive these materials through their broker or other intermediary should complete and send the voting instruction form in accordance with the instructions provided by their broker or intermediary. To be effective, a proxy must be received by Computershare Investor Services Inc. or the Secretary of the Corporation no later than 9 a.m. (Toronto time) on August 16, 2022, or in the case of any adjournment of the meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjournment.

## **Revocation of Proxy**

A shareholder who has given a proxy may revoke it by depositing an instrument in writing signed by the shareholder or by the shareholder's attorney, who is authorized in writing, at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or in the case of any adjournment of the Meeting, the last business day preceding the day of the adjournment, or with the Chair of the Meeting on the day of, and prior to the start of, the Meeting or any adjournment thereof. A shareholder may also revoke a proxy in any other manner permitted by law.

## **Voting of Proxies**

On any ballot that may be called for, the Common Shares represented by a properly executed proxy given in favour of the person(s) designated by management of the Corporation in the enclosed form of proxy will be voted or withheld from voting in accordance with the instructions given on the ballot, and if the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments to matters identified in the accompanying Notice of Meeting and with respect to other matters which may properly come before the Meeting or any adjournment thereof. As of the date of this Circular, management of the Corporation is not aware of any such amendment or other matter to come before the Meeting. However, if any amendments to matters identified in the accompanying Notice of Meeting or any other matters which are not now known to management should properly come before the Meeting or any adjournment thereof, the Common Shares represented by properly executed proxies given in favour of the person(s) designated by management of the Corporation in the enclosed form of proxy will be voted on such matters pursuant to such discretionary authority.

## **Record Date**

The Board of Directors has fixed July 18, 2022 as the record date for the purpose of determining holders of Common Shares entitled to receive notice of and to vote at the Meeting. Any holder of Common Shares of record at the close of business on the record date is entitled to vote the Common Shares registered in such shareholder's name at that date on each matter to be acted upon at the Meeting.

## Voting Shares

As at June 20, 2022, the Corporation had 15,182,573 Common Shares issued and outstanding; each carrying the right to one vote per share. Except as otherwise noted in this Circular, a simple majority of the votes cast at the meeting, whether in person, by proxy or otherwise, will constitute approval of any matter submitted to a vote.

## Principal Shareholders

To the knowledge of the directors and executive officers of the Corporation, as at June 20, 2022, no person beneficially owned, or controls or directs, directly or indirectly, more than 10% of the voting rights attached to the outstanding Common Shares of the Corporation.

## 2. GENERAL MATTERS

### Financial Statements and Auditor's Report

A copy of the Corporation's 2021 annual results have been sent to shareholders who have requested it and includes the consolidated financial statements of the Corporation for the year ended December 31, 2021 together with the auditor's report thereon and Management's Discussion and Analysis of the financial position and results of operations. The first quarter 2022 interim financial report and the interim Management Discussion and Analysis for that quarter have been filed on SEDAR. The annual and interim results are available in the Financial Reports section of the Corporation's website ICPEI.ca and on SEDAR ([www.sedar.com](http://www.sedar.com)).

### Information Incorporated by Reference

This Circular incorporates by reference information disclosed in the press releases which are available on SEDAR ([www.sedar.com](http://www.sedar.com)). Such referenced documents or any excerpt thereof, that are incorporated into this Circular are clearly identified in this Circular. Upon request, the Corporation will promptly provide a copy of the documents free of charge to a shareholder of the Corporation.

### Currency and Timing of Information

Unless indicated otherwise, all amounts are in Canadian dollars. Unless otherwise indicated, the information contained in the Circular is given as of June 20, 2022.

## 3. MATTERS TO BE ACTED UPON AT MEETING

### Election of Directors

The number of directors to be elected at the Meeting is five (5). Under the by-laws of the Corporation, directors of the Corporation are elected annually. Each director will hold office until the next annual meeting or until the successor of such director is duly elected or appointed, unless such office is earlier vacated in accordance with the by-laws.

**In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to VOTE FOR the election as directors of the proposed nominees whose names are set forth below, each of whom has been a director since the date indicated below opposite the proposed nominee's name.** Management does not contemplate that any of the proposed nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by properly executed proxies given in favour of such nominee(s) may be voted by the person(s) designated by management of the Corporation in the enclosed form of proxy, in their discretion, in favour of another nominee.

The Board adopted a Majority Voting policy that requires that in an uncontested election of directors, if any director nominee has more votes withheld than voted in favour of that director nominee, the nominee will immediately tender their resignation, effective on acceptance by the Board. Within 90 days of receiving the tendered resignation the Board will decide whether to accept or reject the tendered resignation and will announce its decision and the reasons for the decision in a press release.

The following table sets forth information with respect to each person nominated for election as a director, including the number of Common Shares of the Corporation beneficially owned, or controlled or directed, directly or indirectly, by such person or the person's associates or affiliates as of June 20, 2022.

The information as to shares beneficially owned or controlled or directed, not being with the knowledge of the Corporation, has been furnished by the respective proposed nominees individually.

<b>Nominee Name and Place of Residence</b>	<b>Principal Occupation</b>	<b>Director Since</b>	<b>Common Shares</b>
James Falle <sup>(1)</sup> Ontario, Canada	Corporate Director	May 2017	15,000
Serge Lavoie Quebec, Canada	President and Chief Executive Officer of Corporation	May 2015	723,498
Sharon Ranson <sup>(2)</sup> Ontario, Canada	President, The Ranson Group Inc.	December 2020	90,000
Robert Ghiz PEI, Canada	President and CEO, Canadian Wireless Telecommunications Association	December 2020	183,100
Murray Wallace <sup>(3)</sup> Ontario Canada	Corporate Director	December 2015	142,800

(1) James Falle is the current Chair of the Audit and Risk Committee.

(2) Sharon Ranson was a director of Echelon Financial Holdings Inc. from May 2016 to August 2019 and re-elected to the Corporation's Board in November 2020.

(3) Murray Wallace is the current Chair of the Board of Directors.

All nominees have held their present principal occupations as set out above during the past five years.

No director nominee is, or has been within the preceding ten (10) years, a director, chief executive officer or chief financial officer of any company that,

- a) Was the subject of an order that was issued while the nominee was acting in a capacity as director, chief executive officer or chief financial officer,
- b) Was subject to an order that was issued after the nominee ceased to be a director, chief executive officer or chief financial officer,
- c) While the nominee was acting as an executive officer or within a year of that person ceasing to act in such 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.

No director nominee has within the preceding ten (10) years become 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 their assets.

No director nominee has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or by court or other regulatory body that would likely be considered important to a reasonable security holder deciding whether to vote for the nominee.

### **Re-appointment of Independent Auditors**

PricewaterhouseCoopers LLP are the current auditors of the Corporation. At the Meeting, the holders of Common Shares will be requested to re-appoint PricewaterhouseCoopers LLP as auditors of the Corporation to hold office until the next annual meeting of shareholders or until a successor is appointed and to authorize the Board of Directors to fix the auditors' remuneration.

Information concerning fees paid to PricewaterhouseCoopers LLP for services rendered to the Company for the past two fiscal years can be found in Table 6.1 on page 16 of this Circular.

**In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to VOTE FOR the re-appointment of PricewaterhouseCoopers LLP as auditors of the Corporation to hold office until the next annual meeting of shareholders or until a successor is appointed and the authorization of the Board of Directors to fix the remuneration of the auditors.**

### **To Approve the Corporation's Amended Stock Option Plan**

The Corporation's Stock Option Plan (the "Plan") is described under the heading "Executive Officer Compensation – Security Based Compensation" on page 11 of the Circular. The Plan is a "rolling" plan that provides that the aggregate number of shares of the Corporation that may be reserved for issuance under the Plan will not exceed 10% of the total issued and outstanding Common Shares.

Pursuant to the Rules of the TSXV, rolling stock option plans must be approved annually by a majority of the shareholders. The Plan was last approved by shareholders on July 15, 2021.

In November 2021 the TSXV implemented Policy 4.4 *Security Based Compensation* that addresses stock option plans like the Plan. The Board of Directors has approved changes to the Plan that bring the Plan into compliance with TSXV Policy 4.4 and correct minor typographical errors.. The TSXV has given conditional acceptance of the proposed Amended Plan subject to Shareholder approval.

Since May 2018 no share options have been issued and there are no outstanding unexercised options.

A complete copy of the Amended Plan is found at Appendix A of the Circular. For ease of reference the key amendments have been highlighted.

**In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to VOTE FOR the resolution approving the Amended Stock Option Plan.** The text of the resolution:

*NOW THEREFORE BE IT RESOLVED THAT the Amended Stock Option Plan as presented in the Circular is hereby approved.*

### **To Approve an Increase in the fixed number of Share Units reserved for issuance under the Share Unit Plan and**

#### **To Approve the Amended Share Unit Plan**

The Corporation has established a Share Unit Plan ("SUP") to promote alignment of interest between employees and shareholders; to associate employee compensation with returns achieved by shareholders and to attract and retain experienced and expert employees.

Under the terms of the SUP the Board of Directors may authorize eligible employees of the Corporation and its subsidiaries to receive share based compensation in the form of restricted share units (RSUs). Upon vesting, employees receive 1 common share for each vested RSU. RSU grants vest equally over three years on the anniversary date of the grant. The maximum aggregate number of shares reserved for issuance under the SUP is 600,000. The number of shares issued will reduce the number of shares available for issuance. The SUP is described in more detail under the heading "Executive Officer Compensation – Security Based Compensation" found at page 11 of the Circular.

The SUP was last approved by Shareholders on July 15, 2021.

In November 2021 the TSXV implemented Policy 4.4 *Security Based Compensation*, which applies to the SUP. The Board of Directors has approved changes to the Plan that bring the Plan into compliance with TSXV Policy 4.4. The proposed amendments to the SUP include increasing the number of share units available for issuance from 600,000 to 1,000,000. Management and the Board of Directors are of the opinion that granting of RSUs is an effective way to compensate employees and ensuring that shareholder and employee interest are aligned long term. The increase in the maximum aggregate number of share units available will allow the Corporation to continue to grant RSUs in keeping with the Corporations compensation strategy. As December 31, 2021, the Corporation had granted 261,300 RSUs and the Corporation seeks Shareholder approval of further RSU grants of 428,685. If the amendment is approved and the grants are approved 602,885 shares will have been reserved for issuance as security based compensation.

The TSXV has given conditional acceptance of the Amended SUP subject to Shareholder approval.

A complete copy of the Amended SUP is found at Appendix B of the Circular. For ease of reference the key amended portions of the SUP are highlighted.

**In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to VOTE FOR the approval of amending the Share Unit Plan to increase the maximum aggregate number of Share Units available for issuance from 600,000 to 1,000,000.** The text of the resolution:

*NOW THEREFORE BE IT RESOLVED THAT* the increase of the maximum aggregate number of Share Units available for issuance under the SUP from 600,000 to 1,000,000 is hereby approved.

**In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to VOTE FOR the approval of the Amended Share Unit Plan.** The text of the resolution:

*NOW THEREFORE BE IT RESOLVED THAT* the Amended Share Unit Plan as presented in the Circular is hereby approved.

### To Approve the Grant of RSUs to Certain Identified Employees

In February 2022, pursuant to the proposed Amended SUP, the Board approved conditional RSU grants to certain employees of the Corporation and its subsidiary, the Insurance Company of Prince Edward Island. The grants were in recognition of the successes of 2021; the desire to align employee interests with shareholder interests; to support retention of key management personnel and formed an important element of the Corporation's compensation strategy. The grants were conditional on TSXV and Shareholder approval of the Amended SUP.

The Board made the following conditional RSU grants to the following persons (the "Eligible Employees"):

<b>Table 3.1 Eligible Employees Receiving Conditional RSU Grants in 2022</b>		
<b>Employee</b>	<b>Title</b>	<b>RSU Grant</b>
Serge Lavoie	CEO, ICPEI Holdings	71,775
Teddy Chien	CFO, ICPEI Holdings	38,280
Ken Coulson	General Counsel, ICPEI Holdings	38,280
James Revell	Vice- Chair, ICPEI	24,000
Harvinder Sahi	CFO, ICPEI	19,500
Bryan Harper	VP, Information Systems, ICPEI	17,700
Hatem Bendejedidia	AVP, Technology, ICPEI	5,100
Marc-Antoine Deom	Director, Actuarial Services, ICPEI	5,100
Katherine Evans	Manager, Human Resources, ICPEI	4,500
Dave Duffy	Manager, Claims, ICPEI	4,500
Lila McMurrer	Manager, Personal Lines, ICPEI	4,500
Melissa Nadon	Supervisor, Communications, ICPEI	3,450
Genevieve Quenneville	Director, Compliance, ICPEI	7,500
Amelie Pelletier	Director, Commercial Underwriting, ICPEI	7,500
Serge Lavoie (Special Grant)	CEO	177,000 <sup>(1)</sup>

*(1) This grant was part of a revised employment agreement with Mr. Lavoie. These RSU only vest upon a Change of Control and expire in ten years.*

All conditional RSU grants were subject to the terms and conditions of the Amended SUP. Except for the Special Grant to Mr. Lavoie, all grants vest equally one third per year on the anniversary date of the grant. Mr. Lavoie's Special Grant was approved by the Board as part of his employment agreement and those RSUs expire on the 10<sup>th</sup> year of the grant and only vest upon a Change of Control as defined in the Amended SUP.

Although there were conditional grants to Insiders (as defined in TSXV Policy 4.4) the aggregate number of Shares issuable or issued under the SUP to the Insiders as a group is 550,734 (less than 10% of the total issued Shares).

Pursuant to TSXV Policy 4.4, RSUs granted prior to Shareholder approval of the amendments to the SUP requires specific approval by Disinterested Shareholders (i.e. shareholders and their associates and affiliates, who are granted the RSUs are not permitted to vote).

In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to VOTE FOR the approval of the RSU grants to the Eligible Employees as set out in Table 3.1. The text of the resolution:

*NOW THEREFORE BE IT RESOLVED THAT* the conditional RSU grants set out in Table 3.1 of the Circular to the described Eligible Employees is hereby approved.

#### 4. STATEMENT OF EXECUTIVE AND DIRECTOR COMPENSATION

Table 4.1 below describes all compensation, excluding security based compensation, received by the directors and Named Executive Officers (NEOs) in the two most recently completed financial years.

Table 4.1 Compensation excluding security based compensation							
Name and Position	Year	Salary and/or Retainer (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	All Other Compensation (\$)	Total Compensation (\$)
Serge Lavoie, CEO and Director	2021	275,000	140,000				434,584
	2020	254,423	250,000		19,584	221,812	726,235
Teddy Chien, CFO and Director	2021	185,000	75,000				276,534
	2020	132,115	40,000		16,334		172,115
James Revell, ICPEI Vice Chair	2021	194,220	64,200		28,000		286,420
	2020	192,500	17,765		28,000		238,265
James Falle, Director <sup>(1)</sup>	2021	57,500					57,500
	2020	40,000					40,000
Robert Ghiz, Director, ICPEI & ICPEI <sup>(2)</sup>	2021	52,500					52,500
	2020	30,000					30,000
Sharon Ranson, Director <sup>(3)</sup>	2021	43,750					43,750
Murray Wallace, Board Chair	2021	67,500					67,500
	2020	50,000					50,000
Lee Matheson, Director <sup>(4)</sup>	2020	26,250					26,250
Andrew Pastor, Director <sup>(4)</sup>	2020	26,250					26,250
Brian Reeve, Director <sup>(4)</sup>	2020	26,250					26,250

(1) Mr. Falle is Chair of the Audit and Risk Committee.

(2) Mr. Ghiz was elected to ICPEI board in December 2020.

(3) Ms. Ranson was elected to the ICPEI board in December 2020. Previously she was a director of ICPEI from May 2016 to August 2019.

(4) Mr. Matheson, Mr. Pastor and Mr. Reeve resigned from the Board of Directors in November 2020.

## **Executive Officer Compensation**

Between June 1, 2019 and June 1, 2021 the Corporation had two employees, the Chief Executive Officer, Serge Lavoie and the Chief Financial Officer, Teddy Chien. For the purposes of the circular Mr. Lavoie, Mr. Chien and Mr. James Revell are considered NEOs. Prior to 2021 Mr. Revell was the President of the Insurance Company of Prince Edward Island (ICPEI), a subsidiary of the Corporation. In 2021 Mr. Revell was appointed Vice- Chair of ICPEI and continues as an employee of ICPEI.

Historically, the Corporation's executive officers received various forms of compensation including base salary, incentive bonuses, equity grants and various other benefits commensurate with the individuals in similar positions in comparably sized companies. Following the Corporation's sale of the subsidiary Echelon Insurance in May 2019 (the "Sale Transaction") the compensation of the executive officers was modified to reflect the relative size and objectives of the Corporation.

The compensation program for executive officers of the Corporation is determined by the Board annually at the first Board meeting of the fiscal year. The compensation program is intended to assist in the Corporation in attracting and retaining the best available personnel while aligning with the best interests of the Corporation. In considering the appropriate compensation structure the Board considers the Corporation's financial results, strategies and business plan objectives as well as industry practices. The goal is to link compensation with both short and long term performance of the Corporation.

### Employment Agreements, Bonuses and Benefits

All executive officers of the Corporation, including NEOs, have written employment agreements. Each receives a base salary and are eligible to participate in employee benefits plans and programs that are available to all full time employees. These programs include extended health and dental benefits, group life insurance, vision care, employee assistance programs and group retirement savings plans. All executive officers are eligible for bonuses in accordance with the board approved Short Term Incentive Plan (STIP) and are eligible for security based compensation, in accordance with the Corporation's Share Unit Plan (SUP) and ICPEI Stock Option Plan (the Plan).

In addition, a NEO may receive certain payments or benefits in connection with a Change of Control (as defined in the employment agreement) or a NEO's termination, including resignation, severance, retirement or constructive termination. The actual amounts a NEO could receive on a future termination or Change of Control may differ materially depending on the Corporation's share price, change in base salary, timing of termination, changes in STIP and the vesting and granting of security based compensation. Payment and employment agreement provisions differ among the NEOs.

### *Termination and Change of Control Provisions - Serge Lavoie*

Mr. Lavoie's current employment agreement was effective January 1, 2022. In the event that Mr. Lavoie's employment with the Corporation is terminated without cause he would be entitled to:

- salary continuance and benefits for a period of 18 months (the Notice Period).
- a payment in lieu of bonus calculated as 50% of his monthly base salary multiplied by 18 months.
- any unvested share based compensation would vest in their normal vesting schedule during the Notice Period and at the conclusion of the Notice Period all unvested security based compensation will expire.

On a Change of Control (as defined in the employment agreement) if the Corporation terminates Mr. Lavoie's employment without cause within 6 months of the Change of Control he would be entitled to salary continuance and benefits for 24 months and a payment in lieu of bonus calculated as 50% of his monthly base salary multiplied by 24 months. All unvested security based compensation would vest on the Change of Control.

### *Termination and Change of Control Provisions - Teddy Chien*

Mr. Chien's current employment agreement was effective December 1, 2020. In the event that Mr. Chien's employment with the Corporation is terminated without cause he would be entitled to:

- salary continuance and benefits for a period of 12 months (the Notice Period).
- a payment in lieu of bonus calculated as 50% of his monthly base salary multiplied by 12 months.
- any unvested security based compensation grants would vest in their normal vesting schedule during the Notice Period and at the conclusion of the Notice Period all unvested security based compensation will expire.

On a Change of Control (as defined in the agreement) if the Corporation terminates Mr. Chien employment within 6 months of the Change of Control he would be entitled to salary continuance and benefits for 12 months and a payment in lieu of bonus calculated as 50% of his monthly base salary multiplied by 12 months. All unvested security based compensation would vest on the Change of Control.

#### *Termination and Change of Control Provisions - James Revell*

Mr. Revell's current employment agreement was effective January 1, 2021. In the event that Mr. Revell's employment with the Corporation is terminated he would be entitled to:

- salary continuance and benefits for a period of 18 months (the Notice Period).
- a payment in lieu of bonus calculated as the average of his bonus in the past three calendar years.
- any unvested share based compensation grants would vest in their normal vesting schedule during the Notice Period and at the conclusion of the Notice Period all unvested security based compensation will expire.

Mr. Revell does not have any Change of Control provisions in his employment agreement.

Bonuses payable under the STIP are annually determined by the Board. The STIP is linked to a pre-set performance criteria that is both individual and corporate. Corporate performance goals are focused on achieving key financial goals and business priorities as determined by the Board. Table 4.1 above reflects STIP bonuses paid in 2020 and 2021 for prior year performance. In 2021 corporate performance goals and objectives were met and STIP bonuses were paid to the NEOs in 2022 (Mr. Lavoie \$266,250; Mr. Chien \$156,000; Mr. Revell \$107,400).

In addition to corporate financial objectives, Mr. Lavoie's 2020 performance criteria included a one time payment of \$250,000 payable upon the settlement of outstanding litigation against the Corporation. This amount is included in Table 4.1 under the column "Bonus".

The Corporation does not offer a pension plan.

The Corporation currently offers a group RRSP to all employees of the Corporation and its subsidiaries. The Corporation matches employee contributions up to a maximum amount of 5% of employee earned salary. In 2020 only employees of ICPEI were eligible to participate in the Group RRSP and Mr. Lavoie and Mr. Chien did not receive RRSP employer contributions. Mr. Revell received employer contributions to his RRSP in 2020. In 2021 all NEOs received RRSP employer contributions which are reflected under the column "Value of Perquisites" in Table 4.1

Each of the NEOs receives an annual car allowance. The car allowance amount is reflected in Table 4.1 under the column "Value of Perquisites".

Mr. Lavoie had an agreement with the Corporation where he was to receive additional compensation if there was a capital distribution to shareholders in excess of \$5.61 in 2020. The agreement provided that Mr. Lavoie would receive a payment equal to the distribution less \$5.61 multiplied by 160,385. In 2020 Mr. Lavoie was paid \$221,812 under this agreement and the amount is reflected in Table 4.1 under the column "All Other Compensation".

#### Security Based Compensation

*Stock Option Plan* - The Corporation has a Stock Option Plan (the "Plan") which authorizes employees, including executive officers, of the Corporation and its subsidiaries to receive stock options. Although eligible by its terms, historically directors have not received stock options. The purpose of the Plan is to attract, retain and motivate individuals by providing an opportunity to acquire a proprietary interest in the Corporation. The Plan is a rolling plan that permits the aggregate number of shares of the Corporation which may be issued and sold under the Plan to be capped at 10% of the total issued and outstanding shares. The Plan includes limits on the number of options issuable to insiders and individuals. The Plan prohibits options from being issued to employees engaged in investor relations activities. The exercise price for each common share under each option is determined on the basis of the five day volume weighted average trading price of the common share for the five days immediately preceding the effective date of the grant of the option. The maximum number of options that may vest for exercise in any 12 month period is 20% of the options granted. All options have an expiry date. When an optionee leaves the employment of the Corporation (i) unvested options expire and are cancelled and (ii) vested options must be exercised within 90 days of the termination of employment failing which they expire and are cancelled.

No stock options have been granted since 2017 and no unvested or vested and unexercised stock options remain outstanding.

*Share Unit Plan* - At the Board of Directors discretion, the Board may authorize eligible employees of the Corporation and its subsidiaries to receive security based compensation under the Corporation's Share Unit Plan (SUP). Eligible employees may be granted Restricted Share Units (RSUs) which upon vesting may be settled by way of a common share, issued from the Corporation's treasury, or cash. Each RSU is the equivalent of 1 common share. Unless otherwise noted, RSU grants vest equally over three years on the anniversary date of the grant. Currently the maximum aggregate number of common shares reserved for issuance under the SUP is 600,000. However the Corporation has proposed to amend the SUP increasing the maximum aggregate number of common shares reserved for issuance to 1,000,000. The number of shares issued will reduce the number of shares available for issuance. The SUP provides limits to the number of shares issuable to insiders and individuals. The SUP provides that the Board may grant RSUs

that vest over time and/or upon satisfaction of performance criteria. The performance criteria if any, is subject to annual Board review and may be different for each grant. The SUP contains change of control provisions that require all RSUs to vest upon a change of control (as defined in the SUP). Subject to a written employment contract, when an RSU owner's employment is terminated without cause or an RSU owner retires, unvested RSUs expire. When an RSU owner dies unvested RSUs vest upon death and the heirs and administrators of the RSU owner's estate have one year from the date of death to claim the RSUs.

In November 2021 TSXV Policy 4.4 regarding Security Based Compensation came into effect. Policy 4.4 required certain amendments to the SUP. The TSXV has given conditional acceptance to the amended SUP which is found at Appendix B. Key amendments to the SUP are highlighted..

No RSUs were granted in 2020. In 2021 the Board of Directors granted 261,300 RSUs to a limited number of employees including the NEOs. Table 4.2 below describes the security based compensation granted to the NEOs in 2021.

<b>Name and Position</b>	<b>Type of compensation</b>	<b>Number of compensation securities</b>	<b>Date of grant</b>	<b>Closing price of underlying security on date of grant</b>	<b>Closing price of underlying security at year end</b>	<b>Expiry date</b>
Serge Lavoie, CEO	RSU	76,500	22/02/21	\$1.40	\$2.00	22/02/24
Teddy Chien, CFO	RSU	42,000	22/02/21	\$1.40	\$2.00	22/02/24

In February 2022 the Board of Directors made 428,685 conditional RSU grants to certain employees of the Corporation. The grants vest annually in equal amounts over a three year period. Upon vesting the RSUs can be settled by cash or shares issued from the Corporation's treasury. The grants were subject to conditional acceptance by the TSXV of the Amended SUP and Shareholder approval of the grants. Table 3.1 describes the conditional RSU grants made in 2022.

Upon Shareholder approval of the amended SUP and the 2022 RSU grants the Corporation will have 602,885 issuable shares reserved for security based compensation.

### **Description of Director Compensation**

Directors are compensated for their services as Directors through annual Board and Chair retainers. Directors who are also officers of the Corporation or its subsidiaries receive no remuneration as Directors. The Board annually reviews director compensation and updates director compensation as appropriate. The amount of compensation is intended to recognize the workload and responsibility of Board and Committee members and to remain competitive with director compensation trends in Canada. Director compensation was last reviewed in November 2020. Effective 2021 each director received an annual \$50,000 retainer. Additional annual retainers are payable to the Board Chair (\$20,000), the Chair of the Audit and Risk Committee (\$10,000) and the Chair of the ICPEI Board of Directors (\$10,000).

During the financial year ended December 31, 2021 Directors of the Corporation who were not officers or employees of the Corporation received compensation totaling \$221,250. Table 4.1 above sets out the director compensation in the last two completed financial years.

Pursuant to the Corporation's Deferred Share Unit Plan (DSU Plan) directors may elect to receive their annual retainers entirely in Deferred Share Units (DSUs) or entirely in cash, net of applicable withholdings. The number of DSUs received is determined by dividing the retainer by the fair market value (as defined in the DSU Plan) of the Corporations' common shares. DSUs are redeemed for cash or Shares upon the termination of the director's membership on the Board. The value of the DSUs on redemption is determined by multiplying the number of DSUs by the fair market value (as defined in the DSU Plan) of the Corporations' common shares at the time of the redemption. When DSUs are redeemed for Shares the Shares are purchased in the open market at fair market value. DSUs are also redeemable upon a Change of Control as defined in the DSU Plan.

No DSUs were issued in 2020.

In 2021 DSUs were issued to directors as described in Table 4.3 below.

<b>Name and Position</b>	<b>Type of compensation</b>	<b>Number of compensation securities</b>	<b>Date of grant</b>	<b>Closing price of underlying security on date of grant</b>	<b>Closing price of underlying security at year end</b>	<b>Expiry date<sup>(1)</sup></b>
Murray Wallace, Board Chair	DSU	10,222	1/1/21	\$1.46	\$2.00	NA
	DSU	11,625	4/1/21	\$1.51	\$2.00	
	DSU	7,095	7/1/21	\$2.47	\$2.00	
	DSU	6,256	10/1/21	\$2.80	\$2.00	
Sharon Ranson, Director	DSU	4,259	1/1/21	\$1.46	\$2.00	NA
	DSU	8,304	4/1/21	\$1.51	\$2.00	
	DSU	5,068	7/1/21	\$2.47	\$2.00	
	DSU	4,469	10/1/21	\$2.80	\$2.00	
Robert Ghiz Director	DSU	5,111	1/1/21	\$1.46	\$2.00	NA
	DSU	9,965	4/1/21	\$1.51	\$2.00	
	DSU	6,081	7/1/21	\$2.47	\$2.00	
	DSU	5,362	10/1/21	\$2.80	\$2.00	

(1) DSUs are redeemed when a director leaves the Board of Directors or there is a Change in Control of the Corporation. See above for details.

### **Indebtedness of Directors and Executive Officers**

None of the Directors or executive officers of the Corporation were indebted to the Corporation or its subsidiaries during the financial year ended December 31, 2021.

### **Directors' and Officers' Liability Insurance**

During the fiscal year 2021 the Corporation maintained liability insurance for its Directors and Officers acting in their respective capacities in an aggregate amount of \$50,000,000 subject to a \$100,000 deductible for Corporation Indemnification Coverage. The premium paid by the Corporation during fiscal 2021 for this coverage was \$92,028. The coverage is renewed annually in April.

## **5. INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Since the beginning of the most recently completed fiscal year, no informed person of the Corporation, nominee for election as a director, or associate or affiliate of any informed person or nominee, has, or has had, any material interest, direct or indirect, in any transaction or proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries or affiliates.

## **6. STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

The Canadian Securities Administrators have established National Instrument 58-101 – Disclosure of Corporate Governance Practices (the “National Instrument”) and National Policy 58-201 – Corporate Governance Guidelines (the “National Policy”). The National Policy sets out a series of guidelines for effective corporate governance (the “Guidelines”). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of Board members. The National Instrument requires the disclosure by each public corporation of its approach to corporate governance with reference to the Guidelines as it is recognized that the unique characteristics of individual corporations will result in varying degrees of compliance.

Set out below is a description of the Corporation’s approach to corporate governance in relation to the Guidelines and, where applicable, for National Instrument 52-110 – Audit Committees (“NI 52-110”).

## **The Board of Directors**

The Board of Directors is responsible for the overall stewardship of the Corporation. The Board of Directors discharges this responsibility directly and through delegation of specific responsibilities to committees of the Board of Directors, the Chair, and officers of the Corporation, all as more particularly described in the Board of Directors Mandate adopted by the Board of Directors.

The Board has developed a written position description for the Chair of the Board (the “Chair”), which sets out the Chair’s key responsibilities, including, as applicable, duties relating to setting Board meeting agendas, chairing Board meetings, assessing Board effectiveness and communicating with shareholders and regulators as necessary.

The Board has also developed a written position description for the CEO which sets out the key responsibilities of the CEO. The primary functions of the CEO is to implement strategy, lead management of the business and affairs of the Corporation, lead the implementation of the resolutions and the policies of the Board and to communicate with shareholders and regulators as necessary.

### Independence

Using the definition of “independent” found in National instrument 52-110, the Board, after review of the business, charitable and family relationships of the director nominees has determined that all director nominees, except for Serge Lavoie, are independent and not affiliated with the Corporation. Mr. Lavoie, as the Corporation’s CEO is not independent.

In order to facilitate an open and candid discussion among independent directors, a portion of every regular Board meeting is reserved for independent directors to meet *in camera* without the presence of management and non-independent directors. The Board of Directors and Board Committees have the opportunity, at their discretion, to hold *ad hoc* meetings that are not attended by management and non-independent directors. In 2021 the Board met *in camera* 4 times; the Audit and Risk Committee met *in camera* 2 times.

The roles of Chair and CEO are separate. The Chair, Murray Wallace, is an independent director. The Chair manages the Board’s affairs to ensure that the Board can meet its obligations and responsibilities. The Chair takes an active role in the evaluation of director performance. The Chair, with input from the board, conducts the annual performance review of the CEO and reviews the CEO annual compensation arrangements.

Board interlocks exist when two directors of one company sit on the board of another company. The Board under guidance from the Chair monitors board interlock. Currently, Murray Wallace, Serge Lavoie and Robert Ghiz sit on both the Corporation board and the board of ICPEI. The Corporation does not consider this a director interlock of concern because ICPEI is a wholly owned subsidiary of the Corporation. Currently, no Director nominees have interlock with the boards of directors of other public companies.

## **Board Orientation and Continuing Education**

The Board ensures new members of the Board receive orientation to familiarize themselves with the Corporation’s’ business, strategic plans, accounting policies, risk appetite framework, and independent auditors. Directors are encouraged to participate in continuing education programs to develop and maintain the necessary expertise to perform their responsibilities a director. Funds for continuing education courses are made available to directors. Ongoing education is also provided to directors by the Corporations’ management, investment advisors and external auditors.

## **Ethical Business Conduct**

The Board of Directors has adopted a written Code of Business Conduct and Ethics (the “Code”) for the Corporation’s directors, officers and employees. The Code sets out the Board’s expectations for the conduct of such persons in their dealings on behalf of the Corporation. The Code is reviewed annually by the Board. The Board has approved confidential reporting procedures in order to encourage employees, directors and officers to raise concerns regarding matters addressed by the Code, on a confidential basis free from discrimination, retaliation or harassment. Employees who violate the Code may face disciplinary actions, including dismissal. The Code is available under the Corporation’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

In order to ensure independent judgement in considering potential transactions in which a director, officer or Insider has a material interest, the Board reviews any issues related to business ethics or potential conflict of interest between the Corporation and any parties related to directors or officers of the Corporation. Where deemed appropriate the Board seeks the advice and assistance of the Corporation’s’ General Counsel and/or external counsel regarding, amongst other issues, conflicts of interest and material related party transactions.

In addition to the Code, the Corporation has adopted a Disclosure Policy (to ensure that communications to the public are timely, factual, and accurate and broadly disseminated in accordance with applicable securities laws) and an Insider Trading Policy (to ensure that all employees, officers and directors are aware of trading restrictions).

### **Nomination of Directors and Board Renewal**

Annually the Board considers the need for Board nominations. The Board regularly reviews the size and composition of the Board and Board committees. If the Board has a pending or potential vacancy or the Board determines that a new director is required, the Board will establish a Nominating Committee to identify and recommend potential director candidates.

The Nominating Committee uses a skills matrix to assist in the assessment of the competencies of the current directors, identifying any gaps in Board skills that may exist, identifying desirable skill sets to look for in new director candidates, and considering whether the Board's skills and experience need to be strengthened in any areas. As part of the Board's renewal process, the Nominating Committee analyses these factors when considering whether an appropriate number of directors sits on the Board and when recommending potential nominees for consideration.

Directors are elected annually. Directors are asked to make a minimum three year commitment and, depending on required skill sets and director performance, may serve a total of 9 consecutive years on the Board.

### **Board Committees**

The Board has established one standing committee – the Audit and Risk Committee (the "ARC"). The Board has decided, given the size and nature of the Corporation and the relatively small size of the Board, that additional standing Committees are not required at this time. The ARC has its own charter describing the duties and responsibilities of the committee. The ARC has its own Chair, James Falle. The Board, sitting as a Committee of the Whole, sits as a Conduct Review Committee.

#### Audit Risk Committee

Attached as Appendix C is the Audit and Risk Committee Charter. The Charter sets out the duties and responsibilities of the Committee and is reviewed and approved annually by the Board. The Audit Committee is chaired by James Falle. All members are independent. The following briefly describes the relevant experience of the Committee members:

James Falle (Chair) – Fellow of the Chartered Professional Accountants Association of Ontario; ICD.D; former Executive Vice President and Chief Financial Officer at Aviva Canada. Before joining Aviva, he held similar roles at AEGON, Zurich Financial Services, and other financial institutions,

Murray Wallace – An experienced corporate director, currently serving as a director of ICPEI, Ascot Group Limited and Bode Canada. Previously Mr. Wallace has served on many Boards including Canada Pension Plan Investment Board, Axia NetMedia Corporation, Western Surety Ltd., London Insurance Group, Crown Life Insurance Co. and Queen's University School of Business. He is the former Executive Chairman of Financial Horizons Group and former CEO of Granite Global Solutions and Wellington Insurance. He is a Fellow of the Chartered Professional Accountants Association of Ontario.

Sharon Ranson - An experienced corporate director with in-depth financial expertise in accounting, capital markets and investments. She has provided strategic oversight to numerous Boards and Advisory Committees, and has chaired various Board committees including audit, governance, risk, human resources and compensation. Among her current mandates are Sprott Inc., IBI Group, Dorel Industries and Fire & Flower Holdings Corp. Ms. Ranson is also President and Founder of The Ranson Group Inc., a company offering coaching and leadership work with senior executives. She has extensive experience in the Financial Services industry as a top-ranked Financial Services Analyst and Portfolio Manager. Ms. Ranson is an FCPA, FCA and holds the ICD.D designation.

Robert Ghiz - President and CEO of the Canadian Wireless Telecommunications Association; Chair of the Board of Directors for ICPEI; Advisor to the Boards of the Prince's Trust Advisory Council, the True Patriot Love Foundation, and a director of Medavie Blue Cross. He is the former Premier of Prince Edward Island.

### Audit Fees

The Audit and Risk Committee is responsible for the engagement of the External Auditors, PriceWaterhouse LLP. The Audit and Risk Committee reviews and approves the external audit fees. Table 6.1 below sets out all fees paid to the external audit in the past two years.

<b>Year</b>	<b>Audit Fees (\$)</b>	<b>Audit Related Fees(\$)</b>	<b>Tax Fees (\$)</b>	<b>All Other Fees (\$)</b>	<b>Total Fees Paid(\$)</b>
2021	317,656	2,261	20,555	8,334	348,806
2020	202,000	9,455	29,808	5,706	246,969
2019	164,000	-	89,000	4,000	257,000

### **Compensation of Directors**

Information regarding director compensation is incorporated by reference to Part 4 Statement of Executive and Director Compensation above.

### **Board Assessments**

The Chair of the Board and the Chair of the ARC regularly assess the effectiveness of the Board and the Board committees. Self assessment questionnaires, independent board evaluations and Chair evaluations have been used to assess board effectiveness. Results of the assessments along with review of the skills matrix is used to determine the need for board renewal and identify new candidates.

The number of other public company boards that a director serves is monitored to ensure that no director has excessive commitments to other public companies that may result in a reduced ability for the director to provide effective oversight as a Board member of the Corporation.

## **7. ADDITIONAL INFORMATION**

Additional information relating to the Corporation is contained at the Corporation's website, [www.ICPEI.ca](http://www.ICPEI.ca) and under the Corporation's profile at SEDAR at [www.sedar.com](http://www.sedar.com), the Internet site maintained by the Canadian securities regulators.

Financial information for the Corporation's most recently completed financial year, being December 31, 2020, is provided in the Corporation's comparative financial statements for the year ended December 31, 2020, and management's discussion and analysis of such financial results.

Upon request to the Corporation, at 200 – 2800 Skymark Avenue, Mississauga, Ontario L4W 5A6, the Corporation will send to the person or company making such request (without charge to a shareholder) a copy of the Corporation's financial statements for the year ended December 31, 2020, and any interim financial statements of the Corporation issued after December 31, 2020 together with management's discussion and analysis of such financial results.

### **Board of Director Approval**

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

Dated as of June 20, 2022

# APPENDIX A

## ICPEI HOLDINGS INC. STOCK OPTION PLAN

### 1. PURPOSE

The purpose of this Stock Option Plan (the “Plan”) is to authorize the grant to directors, officers, and key employees of ICPEI Holdings Inc. (the “Company”), or any present or future subsidiary thereof as hereinafter defined, of options to purchase common shares (“shares”) of the Company’s capital and thus benefit the Company by enabling it to attract, retain and motivate directors, officers and key employees by providing them with the opportunity, through share options, to acquire an increased proprietary interest in the Company, and to encourage each person to increase their efforts to grow and develop the Company.

### 2. ADMINISTRATION

The Plan shall be administered by the board of directors of the Company. Subject to approval of the granting of options by the board of directors, the Company shall grant options under the Plan.

### 3. SHARES SUBJECT TO PLAN

(a) Subject to adjustment under the provisions of paragraph 13 hereof, the aggregate number of shares of the Company which may be issued and sold under the Plan will not exceed 10% of the total of issued and outstanding shares from time to time (on a non-diluted basis), and shares reserved for issuance under employee stock option plans, options for services and employee stock purchase plans.

(b) The number of shares issuable to insiders, at any time, under all security based compensation arrangements, cannot exceed 10% of issued and outstanding shares.

(c) The number of shares issued to insiders, within any one year period, under all security based compensation arrangements, cannot exceed 10% of issued and outstanding shares.

(d) The total number of shares which may be reserved for optioning to any one individual in any 12 month period shall not exceed 5% of the total number of issued and outstanding shares (on a non-diluted basis) calculated at the time of the grant.

(e) Those employed or retained to provide investor relations activities are not eligible to receive stock options under this Plan.

(f) The total number of shares which may be reserved in a 12 month period for optioning to any one Consultant shall not exceed 2% of the total number of issued and outstanding shares.

(g) The Company shall not, upon the exercise of any option, be required to issue or deliver any shares prior to (i) the admission of such shares to listing on any stock exchange on which the Company’s shares may then be listed, and (ii) the completion of such registration or other qualification of such shares under any law, rules or regulation as the Company shall determine to be necessary or advisable.

### 4. ELIGIBILITY

(a) Options shall be granted only to directors, officers, and employees, such employees in the judgment of the board of directors to be key employees and who, at the time of the grant, are employees of the Company or any subsidiary.

(b) The term “subsidiary” as used in the Plan shall mean any corporation in which the Company owns, directly or indirectly, stock possessing 50% or more of the total combined voting power of all classes of stock.

(c) Subject to the foregoing, the board of directors shall have full and final authority to determine the persons who are to be granted options under the Plan and the number of shares subject to each option.

(d) The Company and the Optionee are responsible for confirming and ensuring that the Optionee is a bona fide employee, Consultant or management company employee.

## **5. PRICE**

The purchase price (the “Price”) for the shares of the Company under each option shall be determined by the board of directors on the basis of the Market Price (as defined below) of the shares at the date of the grant of the option, subject to discounts permitted by securities regulators. For the purposes of this paragraph 5, “Market Price” is defined as the volume weighted average trading price of the shares, calculated by dividing the total value by the total volume of the shares traded for the relevant period on TSX Venture Exchange (“TSXV”), or another stock exchange where the majority of the trading volume and value of the shares occurs, for the five trading days immediately preceding the relevant date. If the shares are suspended from trading or have not traded on TSXV or another stock exchange for an extended period, the Market Price will be the fair market value of the shares as determined by the board of directors.

## **6. PERIOD OF OPTION AND RIGHTS TO EXERCISE**

(a) Subject to the provisions of this paragraph 6 and paragraphs 8, 9, 10, 11 and 12, options will be exercisable in whole or in part, and from time to time, as determined in each case by the board of directors, at the time of granting the option.

(b) Vesting of Options is determined by the board of directors at the time of grant. Options shall not be granted for a term exceeding eight (8) years, and up to (i) 20% of the stock granted under the options; or (ii) such greater percentage of the stock granted under the options, so long as the cumulative vesting rate per year is not greater than the rate of 20% in any particular year, may be vested for exercise in any particular year.

(c) The shares to be purchased upon each exercise of any option shall be paid for in full, in cash, at the time of such exercise.

(d) Except as provided in paragraphs 8 and 9, no option may be exercised unless the optionee is then a director, officer, or in the employ of the Company or any subsidiary and, in the case of an employee, shall have been continuously employed by one or more of the Company and its subsidiaries since the grant of his option. Absence on leave approved by an officer of the Company or of any subsidiary authorized to give such approval shall not be considered an interruption of employment for any purpose of the Plan.

(e) All rights under an option unexercised at the termination of the option period shall be forfeited.

(f) For the purposes of this section, “blackout period” means a period of time during which the optionee cannot exercise an option, or sell shares, due to applicable policies of the Company in respect of insider trading. Notwithstanding any other provision hereof, if the expiration date of an option would otherwise occur either (i) during a blackout period to which the optionee is subject, or (ii) in the time period commencing at the end of a blackout period to which the optionee is subject and ending on the tenth business day subsequent to the blackout period, the expiration date for the option shall be extended to the tenth business day following the last day of the blackout period.

**7. ASSIGNMENT AND TRANSFERABILITY OF OPTION**

No option granted under the Plan shall be assignable or transferable by an Optionee otherwise than by will or by the laws of descent and distribution, and such option shall be exercisable, during his lifetime, only by him or her.

**8. TERMINATION OF EMPLOYMENT**

(a) If any optionee shall cease to be an officer, director or employee of the Company or any subsidiary for any reason other than for cause (except as otherwise provided in paragraphs 9,10 and 11), he may, but only within the period of ninety (90) days next succeeding such cessation and in no event after the expiry date of his option, exercise all or any part of the shares subject to the option in respect of which the exercise period has commenced or will commence within that ninety day (90) period.

(b) Before expiry of an option under this paragraph 8, the board of directors shall notify the optionee in writing of such expiry. In the event the employment of an optionee is terminated for cause, the option or options not exercised at the time his employment with the Company ceases are of no further force or effect whatsoever.

**9. DEATH OF OPTIONEE**

(a) In the event of the death of an optionee during the currency of his option, the option theretofore granted to him shall be exercisable on the date of the participant's death, and must be exercised within, but only within, the period of one hundred and eighty (180) days next succeeding his death, and in no event after the expiry date of his option.

(b) Before expiry of an option under this paragraph 9, the board of directors shall notify the optionee's representative in writing of such expiry.

**10. PERMANENT DISABILITY**

Unless otherwise determined by the board, in the event of a permanent disability of an eligible employee, stock options will continue to vest and become exercisable in the normal course.

**11. RETIREMENT**

"Retirement" is a planned and/or approved event where the optionee is retiring from the industry and/or profession and will not be retiring to seek employment at a competitor of the Company. Unless otherwise determined by the board, in the event of the retirement of an eligible employee, the options not vested at the time of retirement from the Company will expire and become forfeit.

**12. EXTENSION OF OPTION**

Notwithstanding the provisions of paragraph 8, 9, 10 and 11, the board of directors may extend the period of time within which an option held by a deceased optionee may be exercised or within which an option may be exercised by an optionee who has ceased to be an officer, director or employee of the Company, but such an extension shall not be granted beyond (a) the original expiry date of the option or (b) beyond 12 months from the optionee's death.

**13. ADJUSTMENTS IN SHARES SUBJECT TO PLAN**

The aggregate number and kind of shares available under the Plan shall be appropriately adjusted in the event of a reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering or any other change in the corporate structure or shares of the Company. The

options granted under the Plan shall contain such provisions as the board of directors may determine with respect to adjustments to be made in the number and kind of shares covered by such options and in the option price in the event of any such change.

#### **14. AMENDMENT AND TERMINATION OF THE PLAN**

(a) The Board of Directors may amend or discontinue the Stock Option Plan at any time upon receipt of, subject to any required TSXV approval and, where applicable requisite regulatory and, shareholder approval including without limitation, the approval of the TSXV, provided, however, no such amendment may increase the maximum number of Common Shares that may be optioned under the Stock Option Plan, change the manner of determining the minimum exercise price or, without the consent of the Optionee, alter or impair any of the terms of any Option previously granted to an Optionee under the Stock Option Plan. Any amendments to the terms of an Option shall also require regulatory approval, including without limitation, the approval of the TSXV. However the board of directors may not, without approval of the holders of a majority of voting shares present and voting in person or by proxy at a meeting of shareholders of the Company

- (i) increase the number of shares issuable pursuant to the Plan;
- (ii) make any amendment that would reduce the subscription price of an outstanding option of an insider;
- (iii) make an amendment that would extend the term of any option granted under this Plan to an insider beyond the termination date of the option;
- (iv) amend or delete section 6(b) to allow for a maximum term of an option to be greater than 10 years;
- (v) expand the authority of the Company to permit transferability of the options beyond that contemplated by section 7;
- (vi) add to the categories of participants who may be designated for participation in the Plan;
- (vii) amend any option to allow for an option exercise period to commence earlier than the first anniversary of the date of grant, other than in the case of death, disability or a change in control;
- (viii) increase or delete the percentage limits relating to shares issuable or issued to insiders in section 3(c);
- (ix) increase or delete the percentage limit on shares reserved for issuance to any one person pursuant to options in section 3(d);
- (x) amend the Plan to provide for other types of compensation through equity issuance; and
- (xi) amend this paragraph 14(a) to delete any of (i) through (x) above.

(b) A majority of Disinterested Shareholders must approve any amendment reducing the subscription price of an outstanding option of an insider (section 14(a)(ii)) or extending the term of any option granted under this Plan to an insider beyond the termination date of the option (Section 14(a)(iii)).

(c) No such amendment, suspension, cancellation or termination may, without the consent of the optionee to whom options shall theretofore have been granted, adversely affect the rights of such optionee.

(d) For greater certainty, the Company, under the authority of the board of directors, may, subject to paragraph 14, amend any term or condition of the Plan or any option granted hereunder other than the items specified in paragraph 14(a) without shareholder approval as set out in paragraph 12.

**15. EFFECTIVE DATE OF THE PLAN**

The Plan becomes effective on the date of its adoption by the board of directors and options may be granted immediately thereafter.

**16. EVIDENCE OF OPTIONS**

Each option granted under the Plan shall be embodied in a written option agreement between the Company and the optionee which shall give effect to the provisions of the Plan.

**17. EXERCISE OF OPTION**

(a) Subject to the provisions of the Plan, an option may be exercised from time to time by delivering to the Corporation at its registered office a written notice of exercise specifying the number of shares with respect to which the option is being exercised and accompanied by payment in cash or certified cheque in full of the purchase price of the shares then being purchased.

(b) Upon receipt of a certificate of an authorized officer directing the issue of shares purchased under the Plan, the transfer agent is authorized and directed to issue and countersign share certificates for the option shares in the name of such optionee or his legal personal representative or as may be directed in writing by his legal personal representative.

**18. NOTICE OF SALE OF ALL OR SUBSTANTIALLY ALL SHARES OR ASSETS**

If at any time when an option granted under this Plan remains unexercised with respect to any optioned shares,

(i) a general offer to purchase all of the issued shares of the Company is made by a third party; or

(ii) the Company proposes to sell all or substantially all of its assets and undertaking or to merge, amalgamate or be absorbed by or into any other company (save and except for a subsidiary or subsidiaries of the Company) under any circumstances which involve or may involve or require the liquidation of the Company, a distribution of its assets among its shareholders, or the termination of the corporate existence,

the Company shall use its best efforts to give option holders 21 days' notice of the effective date of such offer or proposal or otherwise as soon as practicable and (A) the option granted under this Plan may be exercised, as to all or any of the optioned shares in respect of which such option has not previously been exercised, by the option holder at any time up to and including, (but not after) a date thirty (30) days following the date of the completion of such sale or prior to the close of business on the expiry date, whichever is the earlier; and (B) the Company may require the acceleration of the time for the exercise of the said option and of the time for the fulfilment of any conditions or restrictions on such exercise.

**19. RIGHTS PRIOR TO EXERCISE**

The option holder shall have no rights whatsoever as a shareholder in respect of any of the optioned shares (including any right to receive dividends or other distributions therefrom or thereon) other than in respect of optioned shares in respect of which the option holder shall have exercised his option to purchase hereunder and which the option holder shall have actually taken up and paid for.

**20. GOVERNING LAW**

This Agreement shall be construed in accordance with and be governed by the laws of the Province of Ontario, shall be deemed to have been made in said Province, and shall be in accordance with all applicable securities laws.

**21. EXPIRY OF OPTION**

On the expiry date of any option granted under the Plan, and pursuant to any extension of such expiry date permitted in accordance with the Plan, such option hereby granted shall forthwith expire and terminate and be of no further force or effect whatsoever as to such of the optioned shares in respect of which the option has not been exercised.

Each Option, unless terminated pursuant to the Stock Option Plan, will expire on a date to be determined in accordance with the Stock Option Plan by the board of directors at the time the Option is granted, which date may not exceed eight years from the date of the grant of the Option.

**22. USE OF PROCEEDS**

The proceeds from the sale of shares pursuant to options granted under the Plan shall constitute general funds of the Company.

**23. SHAREHOLDER RIGHTS**

Optionee shall have no rights whatsoever as a shareholder, including any rights to dividends, in respect of shares covered by the option granted, other than for those shares exercised for purchase which the optionee has taken up and paid for.

**24. APPROVAL**

The Plan has been approved by the directors of the Company on May 13, 2004, as amended on November 8, 2005, February 23, 2006, May 9, 2007, May 8, 2008, February 23, 2009, April 25, 2012, June 1, 2017 and November 18, 2021.

**Reviewed:** November 18, 2021

**Approved:** November 18, 2021

## APPENDIX B

### SHARE UNIT PLAN FOR

### ELIGIBLE EMPLOYEES OF ICPEI HOLDINGS INC.

Adopted with effect from November 6, 2009, amended on May 5, 2011, November 23, 2011, November 7, 2013, June 1, 2017, December 7, 2020 and November 18, 2021

#### 1. PREAMBLE AND DEFINITIONS

##### 1.1 Title.

The Plan described in this document shall be called the “Share Unit Plan for Eligible Employees of ICPEI Holdings Inc.”

##### 1.2 Purposes of the Plan.

The purposes of the Plan are:

- a. to promote a further alignment of interests between employees and the shareholders of the Corporation;
- b. to associate a portion of employees’ compensation with the returns achieved by shareholders of the Corporation over the medium term; and
- c. to attract and retain employees with the knowledge, experience and expertise required by the Corporation.

##### 1.3 Definitions.

1.3.1 “**Affiliate**” means any corporation, partnership or other entity in which the Corporation, directly or indirectly, has majority ownership interest.

1.3.2 “**Applicable Law**” means any applicable provision of law, domestic or foreign, including, without limitation, applicable securities legislation, together with all regulations, rules, policy statements, rulings, notices, orders or other instruments promulgated thereunder, and Stock Exchange Rules.

1.3.3 “**Beneficiary**” means, subject to Applicable Law, an individual who has been designated by an Eligible Employee, in such form and manner as the Board may determine, to receive benefits payable under the Plan upon the death of the Eligible Employee, or, where no such designation is validly in effect at the time of death, the Eligible Employee’s legal representative.

1.3.4 “**Board**” means the Board of Directors of the Corporation.

1.3.5 “**Cause**” in respect of an Eligible Employee means that any of the following events has occurred (as determined by the Board acting reasonably);

a. The Eligible Employee has materially breached any of his obligations under his contract of employment with the Corporation and has not cured such breach within thirty (30) days after the Corporation notifies the Eligible Employee of such breach;

b. The Eligible Employee has conducted his duties under his contract of employment with the Corporation in a manner that is intentionally improper or grossly negligent and is materially damaging to the Corporation; or

c. The Eligible Employee is convicted of a criminal offence or found liable for a fraudulent act.

1.3.6 **“Change in Control”** means the occurrence of a transaction or series of transactions as of result of which:

a. at least 50% in fair market value of all the assets of the Corporation are sold; or

b. there is direct or indirect acquisition by a person or group of persons acting jointly or in concert, of voting securities of the Corporation (as defined in the *Securities Act*, as amended) that when taken together with any voting securities owned directly or indirectly by such person or group of persons at the time of the acquisition, constitute 51% or more of the outstanding voting securities of the Corporation,

but does not include any transaction that may occur between the Corporation, any affiliate or subsidiary of the Corporation or, as applicable, any person associated with the Corporation or any affiliate or subsidiary of the Corporation, which, but for such relationship the transaction would otherwise constitute a Change of Control under clause a. or b. above.

1.3.7 **“Committee”** means the Governance Committee of the Board or such other Committee of the Board which may be appointed by the Board to, among other things, interpret, administer and implement the Plan. Reference to “Committee” includes the Board and any activity, authorization, duties or responsibilities assigned or delegated to a Committee in this Policy can be done or exercised by the Board.

1.3.8 **“Corporation”** means ICPEI Holdings Inc. and any successor corporation whether by amalgamation, merger or otherwise.

1.3.9 **“Disability Termination Date”** has the meaning ascribed thereto in Section 1.3.12.

1.3.10 **“Disabled”** means the Eligible Employee is unable to discharge his duties under his contract of employment with the Corporation by reason of physical or mental illness or injury, as determined by the Board acting reasonably and “Disability” shall be construed accordingly.

1.3.11 **“Eligible Employee”** means such employee of the Corporation or an Affiliate as the Board may designate as eligible to participate in the Plan, except for those employed primarily to provide Investor Relations Activities are not eligible.

1.3.12 **“Employed”** means, with respect to an Eligible Employee, that:

- a. he is performing work at a workplace of the Corporation or an Affiliate; or
- b. he is not actively at work at a workplace of the Corporation or an Affiliate due to an approved leave of absence, maternity or parental leave, or is Disabled for a period up to the date specified in the Eligible Employee’s contract of employment with the Corporation as the termination date of such contract in the event of the Eligible Employee’s continuing Disability, or a consecutive period of 180 days if no such termination date is specified in the Eligible Employee’s contract of employment (the “Disability Termination Date”).

Where an Eligible Employee’s written contract of employment with the Corporation provides for a period of notice of termination of employment in the event of the Eligible Employee’s termination of employment by the Corporation with or without cause or the Eligible Employee’s resignation with good reason, in the event of such a termination or resignation, the Eligible Employee shall be deemed to be “Terminated” on the date that is the earlier of (i) the date on which Employee is notified in writing by the Company of the termination of the Employee’s employment with just cause or without cause or (ii) the date on which the Employee notifies the Company of his resignation from employment for any reason.

1.3.13 **“Grant”** means a grant of Share Units made pursuant to Section 4.1.

1.3.14 **“Grant Agreement”** means an agreement between the Corporation and an Eligible Employee under which a Share Unit is granted, as contemplated by Section 4.1, together with such schedules, amendments, deletions or changes thereto as are permitted under the Plan.

1.3.15 **“Grant Date”** means the effective date of a Grant.

1.3.16 **“Market Value”** means, with respect to any particular date, the volume weighted average trading price of the Shares on the Stock Exchange during the immediately preceding 5 Trading Days.

1.3.17 **“Performance Criteria”** means such financial and/or personal performance criteria as may be determined by the Board in respect of a Grant to any Eligible Employee or Eligible Employees and set out in a Grant Agreement. Performance Criteria may apply to the Corporation, an Affiliate, the Corporation and its Affiliates as a whole, a business unit of the Corporation or group comprised of the Corporation and some of its Affiliates or a group of Affiliate, either individually, alternatively or in any combination, and measured either in total, incrementally or cumulatively over a specified performance period, on an absolute basis or relative to a pre-established target, to previous years’ results or to a designated comparator group, or otherwise.

1.3.18 **“Performance Period”** means, with respect to PSUs, the period specified by the Board for achievement of any applicable Performance Criteria as a condition to Vesting.

1.3.19 **“Plan”** means this Share Unit Plan for Eligible Employees of ICPEI Holdings Inc., including any schedules or appendices hereto, as amended from time to time.

1.3.20 **“PSU”** means a right, granted to an Eligible Employee in accordance with Section 4 hereof, to receive a Share, that generally becomes Vested, if at all, subject to the attainment of Performance Criteria and satisfaction of such other conditions to Vesting, if any, as may be determined by the Board.

1.3.21 **“Retirement”** is a planned and/or approved event where the Eligible Employee is retiring from the industry and/or profession and will not be retiring to seek employment at a competitor of the Company.

1.3.22 **“RSU”** means a right granted to an Eligible Employee in accordance with Section 4 hereof, to receive a Share, that generally becomes Vested, if at all, following a period of continuous employment of the Eligible Employee with the Corporation or an Affiliate.

1.3.23 **“Share”** means a common share of the Corporation and such other shares as may be substituted for it as a result of amendments to the articles of the Corporation, arrangement, reorganization or otherwise, including any rights that form a part of the common share or substituted share.

1.3.24 **“Share Unit”** means either an RSU or a PSU as the context requires.

1.3.25 **“Share Unit Account”** has the meaning set out in Section 6.1.

1.3.26 **“Stock Exchange”** means The TSX Venture Exchange, or if the Shares are not listed on The TSX Venture Exchange, such other stock exchange on which the Shares are listed, or if the Shares are not listed on any stock exchange, then on the over-the-counter market.

1.3.27 **“Stock Exchange Rules”** means the applicable rules of any stock exchange upon which shares of the Corporation are listed.

1.3.28 **“Termination”** or **“Date of Termination”** (or any derivative thereof) shall mean: the date that is the earlier of (i) the date on which Employee is notified in writing by the Company of the termination of the Employee’s employment with just cause or without cause or (ii) the date on which the Employee notifies the Company of his resignation from employment for any reason.; and (iii) in the case of an Eligible Employee who does not return to active employment with the Corporation or an Affiliate immediately following a period of absence due to vacation, temporary illness, authorized leave of absence or short or long-term disability, the last day of such period of absence.

1.3.29 **“Trading Day”** means any date on which the Stock Exchange is open for the trading of Shares and on which Shares are actually traded.

1.3.30 **“Vested”** shall mean, with respect to a Share Unit, that the applicable conditions with respect to continued employment, passage of time, achievement of Performance Criteria and/or any other conditions established by the Board have been satisfied or, to the extent permitted under the Plan, waived, whether or not the Eligible Employee’s rights with respect to such Share Units may be conditioned upon prior or subsequent compliance with any confidentiality, non-competition or non-solicitation obligations, and any applicable derivative term shall be construed accordingly.

1.3.31 **“Vesting Date”** means the date on which a Share Unit will become a Vested Share Unit in accordance with Section 4.2, Section 7.3 or the terms of a Grant Agreement.

1.3.32 **“Vesting Period”** means, with respect to a Grant, a period specified by the Board, commencing on the Grant Date and ending on the last Vesting Date for Share Units subject to such Grant.

4.2 **Vesting Terms.** RSUs and/or PSUs shall become Vested at such times, in such installments and subject to such terms and conditions as may be determined by the Committee and set forth in the Plan and applicable Grant Agreement, provided that:

(i) subject to Sections 7.6 and 7.9 below, no RSU or PSU may vest before one year following the date the RSU or PSU was granted;

(ii) the conditions to Vesting of RSUs shall be based on the Eligible Employee's continued employment or continued engagement, without regard to the satisfaction of any Performance Criteria and, in the event that the Grant Agreement applicable to a Grant of RSUs does not specify the time(s) at which such RSUs shall become Vested, such RSUs shall vest on December 31 of the tenth year following the year in which the Share Units were granted, subject to Section 7.3, Section 7.4, Section 7.5, Section 7.6, Section 7.7 and Section 7.8; and

(iii) the conditions to Vesting of PSUs shall be based on the satisfaction of Performance Criteria either alone or in addition to any other Vesting conditions as may be determined by the Committee in consultation with the Chief Executive Officer and may be graduated such that different percentages (which may be greater or less than 100%) of the PSUs in a Grant will become Vested depending upon the extent to which one or more such conditions are satisfied.

4.3 **Administration.** The Committee shall administer the Plan in accordance with its terms. Subject to and consistent with the terms of the Plan, in addition to any authority of the Committee specified under any other terms of the Plan, the Committee shall have full and complete discretionary authority to:

(i) interpret the Plan and Grant Agreements in the form approved by the Board;

(ii) make all determinations necessary or desirable for the administration and interpretation of the Plan and Grant Agreements in the form approved by the Board;

(iii) determine whether and the extent to which any Performance Criteria or other conditions applicable to the Vesting of a Share Unit have been satisfied;

(iv) make recommendations to the Board to waive or modify Performance Conditions or other conditions applicable to the Vesting of Share Units; and

(v) make recommendations to the Board with respect to whether, and the extent to which, adjustments shall be made pursuant to Section 6.3 and the terms of any such adjustments.

4.4 **Discretion of the Board.** Notwithstanding any other provision hereof or of any applicable instrument of grant, the Board may accelerate or waive any condition to the Vesting of any Grant, all Grants, any class of Grants or Grants held by any group of Eligible Employees.

4.5 **Effects of Board's Decision.** Any interpretation, determination or other act of the Board or the Committee in accordance with the terms hereof shall be made in its sole discretion and shall be conclusively binding upon all persons.

4.6 **Liability Limitation.** No member of the Committee or the Board of Directors shall be liable for any action or determination made in good faith pursuant to the Plan or any instrument of grant evidencing any Share Unit granted under the Plan. To the fullest extent permitted by law, the Corporation and its Affiliates shall indemnify and save harmless each person made, or threatened to be made, a party to any action or proceeding in respect of the Plan by reason of the fact that such person is

## 2. CONSTRUCTION AND INTERPRETATION

2.1 **Gender, Singular, Plural.** In the Plan, references to the masculine include the feminine; and references to the singular shall include the plural and vice versa, as the context shall require.

2.2 **Governing Law.** The Plan shall be governed and interpreted in accordance with the laws of the Province of Ontario and any actions, proceedings or claims in any way pertaining to the Plan shall be commenced in the courts of the Province of Ontario.

2.3 **Severability.** If any provision or part of the Plan is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforcement of any other provision or part thereof.

2.4 **Headings, Sections.** Headings wherever used herein are for reference purposes only and do not limit or extend the meaning of the provisions herein contained. A reference to a section or schedule shall, except where expressly stated otherwise, mean a section or schedule of the Plan, as applicable.

## 3. EFFECTIVE DATE AND EMPLOYMENT RIGHTS

3.1 **Effective Date.** The Corporation is establishing the Plan effective on November 6, 2009.

3.2 **No Employment Rights.** Nothing contained in the Plan shall be deemed to give any person the right to be retained as an employee or director of the Corporation or of an Affiliate.

## 4. SHARE UNIT GRANTS AND VESTING PERIODS

4.1 **Grant of Share Units.** The Committee (or if no Committee exists, the Board) shall from time to time upon recommendation from the Chief Executive Officer determine those Eligible Employees who shall receive a Grant of RSUs and/or PSUs, the number of such RSUs and/or PSUs and the Grant Date(s) applicable to such RSUs and/or PSUs. Each grant and the participation of an Eligible Employee in the Plan shall be evidenced by a Grant Agreement between the Corporation and the Eligible Employee in the form approved by the Board. Each Grant Agreement shall set forth, at a minimum, the type and Grant Date of the Grant evidenced thereby, the number of RSUs or PSUs subject to such Grant, the applicable Vesting conditions, the applicable Vesting Period(s) and Performance Periods (in the case of PSUs) and the treatment of the Grant upon Termination and the Committee may determine such other terms and conditions with respect to a Grant as are consistent with the terms of the Plan or as shall be required under any other provision of the Plan, including, without limitation, terms relating to (A) the conditions, if any, upon which Vesting of any Share Unit will be waived or accelerated without any further action by the Board, (B) the circumstances upon which a Share Unit shall be forfeited, cancelled or expire, (C) the consequences of a Termination with respect to a Share Unit, (D) the manner of exercise or settlement of Vested Share Units, including whether Vested Share Units will be settled in cash, Shares or a combination of cash and Shares, (E) whether and the terms upon which any Shares delivered upon exercise or settlement of an Share Unit must continue to be held by an Eligible Employee for any specified period and (F) terms or conditions pertaining to confidentiality of information relating to the Corporation's operations or businesses which must be complied with by an Eligible Employee including as a condition of the grant or Vesting of Share Units.

or was a member of the Committee or is or was a member of the Board of Directors.

4.7 **Delegation and Administration.** The Board may, in its discretion, delegate such of its powers, rights and duties under the Plan, in whole or in part, to any committee of the Board or any one or more directors, officers or employees of the Corporation as it may determine from time to time, on terms and conditions as it may determine, except the Board shall not, and shall not be permitted to, delegate any such powers, rights or duties to the extent such delegation is not consistent with Applicable Law. The Board may also appoint or engage a trustee, custodian or administrator to administer or implement the Plan or any aspect of it, except that the Board shall not, and shall not be permitted to, appoint or engage such a trustee, custodian or administrator to the extent such appointment or engagement is not consistent with Applicable Law.

## 5. MAXIMUM NUMBER OF SHARES

5.1 **Shares Reserved for Issuance.** The aggregate number of Shares which may be issued by the Corporation under the Plan is limited to **1,000,000**. The number of Shares issued will reduce the number of Shares available for issuance unless approval from the TSXV and Disinterested shareholders has been obtained. The number of shares available for issuance shall include any Dividend Equivalent Share units pursuant to Section 6.2. All Shares subject to Share Units that do not become Vested or that otherwise expire, terminate or are cancelled or settled without Shares being issued shall be available for any subsequent Share Units under the Plan. Under this Plan and any other security-based compensation arrangement of the Corporation:

- (i) the number of Shares issuable to insiders (within the meaning of the Securities Act (Ontario) shall not exceed 10% of the issued and outstanding Shares; and
- (ii) the number of Shares issued to insiders, within a one year period, shall not exceed 10% of the issued and outstanding Shares.

5.2 **Limits on Individual Grants.** Under this Plan and any other security-based compensation arrangement of the Corporation:

- (i) The total number of Shares which may be reserved for issuance to one individual shall not exceed 5% of the total number of issued and outstanding shares (on a non-diluted basis) in a 12 month period calculated at time of grant.
- (ii) Those employed to provide investor relations activities are not eligible under this Plan, and
- (iii) The total number of shares which may be reserved for issuance to any one Consultant shall not exceed 2% of the total number of issued and outstanding shares (on a non-diluted basis) in a 12 month period calculated at time of grant.

## 6. ACCOUNTS, DIVIDEND EQUIVALENTS AND REORGANIZATION

6.1 **Share Unit Account.** An account, called a "Share Unit Account", shall be maintained by the Corporation, or an Affiliate, as specified by the Board, for each Eligible Employee and will be credited with such notional grants of Share Units as are received by an Eligible Employee from time to time pursuant to Section 4.1 and any dividend equivalent Share Units pursuant to Section 6.2. Share Units that fail to vest in an Eligible Employee pursuant to Section 7, or that are paid out to the Eligible Employee or his Beneficiary, shall be cancelled and shall cease to be recorded in the Eligible

Employee's Share Unit Account as of the date on which such Share Units are forfeited or cancelled under the Plan or are paid out, as the case may be. For greater certainty, where an Eligible Employee is granted both RSUs and PSUs, such RSUs and PSUs shall be recorded separately in the Eligible Employee's Share Unit Account.

6.2 **Dividend Equivalent Share Units.** A Grant Agreement relating to a grant of RSUs or PSUs may, but need not, provide for the accrual of dividend equivalent amounts for the account of an Eligible Employee hereinafter provided or the payment of cash dividend equivalents to an Eligible Employee with respect to cash dividends paid in the ordinary course to shareholders in respect of outstanding Shares. If a Grant Agreement provides that dividend equivalent amounts will be accrued in respect of RSUs or PSUs, if and when cash dividends are paid with respect to Shares (other than any extraordinary dividend) to shareholders of record as of a record date occurring during the period from the Grant Date under the Grant Agreement to the date of settlement of the RSUs or PSUs granted thereunder, a number of additional RSUs or PSUs, as the case may be, shall be granted to the Eligible Employee who is a party to such Grant Agreement equal to the greatest number of whole Shares having a Market Value, as of the payment date for such dividend, equal to the product of (i) the cash dividend paid with respect to a Share multiplied by (ii) the number of RSUs or PSUs subject to such Grant as of the record date for the dividend. The additional RSUs or PSUs granted to an Eligible Employee shall be subject to the same terms and conditions, including Vesting and settlement terms, as the corresponding RSUs or PSUs, as the case may be. **In the event that there is not a sufficient number of shares available for issuance of additional RSUs or PSUs to satisfy dividend payments, the Company will pay the Eligible Employee a cash dividend equal to the product of (i) the cash dividend paid with respect to a Share multiplied by (ii) the number of RSUs or PSUs subject to such Grant as of the record date for the dividend.**

6.3 **Adjustments.** In the event of any stock dividend, stock split, combination or exchange of shares, capital reorganization, consolidation, spin-off or other distribution (other than normal cash dividends) of the Corporation's assets to shareholders, or any other similar changes affecting the Shares, a proportionate adjustment to reflect such change or changes shall be made with respect to the number of Share Units outstanding under the Plan, or securities into which the Shares are changed or are convertible or exchangeable may be substituted for Shares under this Plan, on a basis proportionate to the number of Share Units in the Eligible Employee's Share Unit Account or some other appropriate basis, all as determined by the Board in its sole discretion.

## 7. VESTING AND SETTLEMENT OF SHARE UNITS

7.1 **Settlement.** Share Units shall be settled upon or as soon as reasonably practicable within 12 months following the Vesting thereof, subject to payment or other satisfaction of all related withholding obligations in accordance with Section 10.2 (including by way of the surrender of Share Units as provided therein) and the terms of the applicable Grant Agreement, and, unless otherwise provided in the applicable Grant Agreement, by December 31 of the tenth year following the year in which the Share Units were granted. Settlement of Vested Share Units (other than Vested Share Units surrendered in accordance with Section 10.2) shall be made in Shares from treasury or in Cash at the discretion of the Eligible Employee. The Eligible Employee (or his Beneficiary) will receive one Share for each Vested whole Share Unit being settled in Shares. No fractional Shares will be issued and any fractional Share Units remaining following settlement hereunder shall be cancelled without payment.

7.2 **Failure to Vest.** For greater certainty, an Eligible Employee shall have no right to receive Shares or any payment with respect to any RSUs or PSUs that do not become Vested.

7.3 **Continued Employment.** Subject to Section 4.2, Section 7.4, Section 7.5, Section 7.6, Section 7.7 and Section 7.8, Share Units subject to a Grant and dividend equivalent Share Units credited to the

Eligible Employee's Share Unit Account in respect of such Share Units shall vest in such proportion(s) and on such Vesting Date(s) as may be specified in the Grant Agreement governing such Grant provided that the Eligible Employee is Employed on the relevant Vesting Date.

7.4 **Termination of Employment for Cause.** Subject to an Eligible Employee's written employment agreement, in the event an Eligible Employee's employment is Terminated for Cause by the Corporation, or an Affiliate, as applicable, prior to the end of the Vesting Period relating to a Grant, no Share Units relating to such Grant and no dividend equivalent Share Units in respect of such Share Units that have not Vested and been settled prior to the date of the Eligible Employee's Termination for Cause shall vest.

7.5 **Termination of Employment without Cause.** Unless otherwise determined by the Board, in the event an Eligible Employee's employment is Terminated by the Corporation, or an Affiliate, as applicable, without Cause prior to the end of a Vesting Period relating to a Grant, and such Eligible Employee does not have a written contract of employment with the Corporation or Affiliate setting out a notice period during which he is deemed to be Employed in accordance with Section 1.3.12, no Share Units relating to such Grant and no dividend equivalent Share Units in respect of such Share Units that have not Vested and been settled prior to the date of the Eligible Employee's Termination without Cause shall vest.

7.6 **Death** Unless otherwise determined by the Board, in the event an Eligible Employee dies, unvested awards vest on the date of the Eligible Employee's death and the Eligible Employees' heirs and administrators have one year from the date of death to make a claim for the Shares.

7.7 **Permanent Disability** Unless otherwise determined by the Board, in the event of a permanent disability, unvested awards continue to vest and payout in the normal course.

7.8 **Retirement** Unless otherwise determined by the board, in the event of the retirement of an eligible employee, unvested awards will expire and become forfeit.

7.9 **Change in Control** In the event of a Change in Control prior to the end of the Vesting Period for a Grant, all Share Units relating to such Grant, and dividend equivalent Share Units in respect of such Share Units, shall become Vested Share Units effective as of the date of such Change in Control. In the case of PSUs, the relevant Performance Criteria shall be deemed to have been satisfied to the extent required to produce Vesting of 100% of the PSUs and 100% of any related dividend equivalent PSUs credited to the Eligible Employee's Share Unit Account at the date of the Change in Control.

7.10 **Expiry of Share Units** Notwithstanding anything contained in sections 7.4 to 7.9 inclusive, Share Units shall expire no later than 12 months after an Eligible Employee ceases to be an employee of the Corporation.

## 8. CURRENCY

8.1 **Currency.** Except where expressly provided otherwise, all references in the Plan to currency refer to lawful Canadian currency.

## 9. SHAREHOLDER RIGHTS

9.1 **No Rights to Shares.** Share Units are not Shares and the grant of Share Units will not entitle an Eligible Employee to any shareholder rights, including, without limitation, voting rights, dividend entitlement or rights on liquidation.

## 10. MISCELLANEOUS

10.1 **Compliance with Laws and Policies.** The Corporation's issuance of any Share Units and its obligation to deliver any Shares hereunder is subject to compliance with Applicable Law. Each Eligible Employee shall acknowledge and agree (and shall be conclusively deemed to have so acknowledged and agreed by participating in the Plan) that the Eligible Employee will, at all times, act in strict compliance with Applicable Law and all other laws and any policies of the Corporation applicable to the Eligible Employee in connection with the Plan including, without limitation, furnishing to the Corporation all information and undertakings as may be required to permit compliance with Applicable Law.

10.2 **Withholdings.** To as to ensure that the Corporation or an Affiliate, as applicable, will be able to comply with the provisions of any Applicable Law relating to the withholding of tax or other required deductions, including on the amount, if any, includable in the income of an Eligible Employee, the Corporation, or an Affiliate, as applicable, shall withhold or cause to be withheld from any amount payable to an Eligible Employee, either under this Plan (including Section 10.3) or otherwise, such amount, as may be necessary to permit the Corporation or an Affiliate, as applicable, to so comply (the "Withholding Amount").

10.3 **Surrender of Share Units.** An Eligible Employee may elect to surrender such portion of the Share Units that would become Vested as of a Vesting Date as have an aggregate Market Value that is not in excess of the Withholding Amount in respect of all Share Units that would, absent this Section 10.3, Vest on such Vesting Date (such Market Value being determined as of the date on which Shares are issued to the Eligible Employee in respect of the portion of such Share Units that are not surrendered). Where an Eligible Employee elects to surrender Share Units as provided above such Share Units shall be cancelled and the Eligible Employee shall be entitled to a cash payment equal to the Withholding Amount, which may be withheld in full by the Corporation, or an Affiliate, as applicable, and remitted to the applicable tax authorities for the account of the Eligible Employee.

10.4 **No Additional Rights.** Neither the designation of an employee as an Eligible Employee nor the grant of any Share Units to any Eligible Employee entitles any person to the grant, or any additional grant, as the case may be, of any Share Units under the Plan.

### 10.5 **Amendment and Termination.**

10.5.1 The Board may not, without approval of the holders of a majority of voting shares present and voting in person or by proxy at a meeting of shareholders of the Company amend this Plan or any Grant to:

- (i) increase the number of aggregate Shares that may be issued at any time pursuant to Section 5.1 hereof;
- (ii) amend the Persons eligible to be issued RSUs or PSUs under this Plan;
- (iii) extend the expiry date of any outstanding Share Units;
- (iv) increase the number of Shares that may be issued to Insiders above the restriction contained in Sections 5.1 and 5.2;
- (v) extend the maximum permitted expiry date of Share Units under the Plan beyond the term described in Section 4.2(i) herein; or

(vi) amend this Section 10.5.1 to delete any of (i) through (v) above.

10.5.2 Subject to Section 10.5, the Board may, without the approval of shareholders, but subject to any required approval of the Stock Exchange, amend, suspend or terminate the Plan or any provision of the Plan or Grant Agreement, including without limitation:

(i) amendments necessary to ensure that the Plan is in compliance with applicable laws, tax or accounting provisions or the requirements of any regulatory authority or stock exchange;

(ii) amendments that are of an administrative or general housekeeping nature including amendments to fix typographical errors;

(iii) amendments to clarify existing provisions of the Plan that do not have the effect of altering the scope, nature and intent of such provisions; and

(iv) amendments to the manner in which the Plan is administered.

10.5.3 No amendment of the Plan shall, without the consent of the Eligible Employees affected by the amendment or unless required by Applicable Law, materially adversely affect the rights accrued to such Eligible Employees with respect to Share Units granted prior to the date of the amendment.

10.5.4 No amendment of the terms of any outstanding Share Unit granted under the Plan or Grant Agreement shall, without the consent of the Eligible Employee affected by the amendment or unless required by Applicable Law, materially adversely affect the rights accrued to such Eligible Employee with respect to such outstanding Share Units granted prior to the date of the amendment.

10.5.5 Upon termination of the Plan, unless otherwise determined by the Board, all unvested Share Units shall continue to vest and be settled in accordance with the terms of the Plan and the applicable Grant Agreement.

10.6 **Administration Costs.** The Corporation will be responsible for all costs relating to the administration of the Plan.

10.7 **Representation.** For Share Units granted to employees, consultants or management company employees, the Company and the grantee are responsible for ensuring and confirming that the grantee is a bona fide employee, consultant or management company employee, as the case may be.

## 11. ASSIGNMENT

11.1 **Assignment.** The assignment or transfer of the Share Units, or any other benefits under this Plan, shall not be permitted other than by operation of law.

11.2 **Approval.** The Plan has been adopted with effect from November 6, 2009, amended on May 5, 2011, November 23, 2011, November 7, 2013, June 1, 2017, December 7, 2020 and November 18, 2021.

**Reviewed: November 18, 2021**  
**Approved: November 18, 2021**

## APPENDIX C

### Audit & Risk Committee Charter

#### ICPEI HOLDINGS INC.

May 2021

APPROVAL	
<b>Approved By:</b>	Board of Directors
<b>Approval Date:</b>	May 20, 2021
<b>Responsible Person/Contact:</b>	CFO
VERSION CONTROL	
<b>Approved by: Audit &amp; Risk Committee</b>	May 20, 2021
<b>Next Review Date:</b>	Q1 2022

# EFH

## AUDIT & RISK COMMITTEE CHARTER

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### **PURPOSE**

The Audit & Risk Committee (the “Committee”) is a standing committee of the Board of Directors (the “Board”) and shall provide assistance to the Board in fulfilling its responsibility to the Company by serving as an independent monitor of the Company's financial reporting processes, risk management activities, systems of internal control and financial compliance. In addition, the Committee shall monitor the independence and performance of the external auditor. The Committee shall facilitate communication among the Organization's external auditor, the Board and senior and financial management. The Committee shall perform this function by carrying out the activities described in this Charter.

The Committee shall act as the Audit & Risk Committee of the Organization as required under the Business Corporations Act (Ontario) and the Securities Act (Ontario) (the “Acts”).

All members of the Committee shall have, or acquire within a reasonable period of time following their appointment, a broad understanding of the operating and financial affairs and related activities of the Company.

### **ACCOUNTABILITIES AND RESPONSIBILITIES**

#### ***FINANCIAL STATEMENTS, FINANCIAL REVIEW AND DISCLOSURE***

The Committee shall ensure that the Company adopts appropriate policies and procedures for the accuracy and integrity of its financial statements and returns and the timely reporting and disclosure of financial information to shareholders and regulators, including, but not restricted to, annual and quarterly financial statements, external auditor's opinions and reports, Management's Discussion and Analysis, annual and quarterly earnings press releases. The Committee shall review all financial statements, MD&A and news releases and make recommendations to the Board for its approval of such statements and documentation. The Committee will ensure adequate process and policies are in place regarding the public disclosure of financial information. The Chief Financial Officer, and external auditor, among others, shall be the principal resources available to the Committee.

#### ***RISK MANAGEMENT***

The Committee shall ensure that the Company adopts appropriate policies and procedures to identify, assess and prioritize enterprise risk management issues, appetite and tolerance. This includes, but is not restricted to, the review and acceptance of regular and timely reports on the Company's coordinated resources to minimize, monitor and control the probability and/or impact of events or to maximize the realization of opportunities. The Committee shall review annually and recommend to the Board a Risk Appetite Framework. The Chief Financial Officer, among others, shall be the principal resource available to the Committee on risk management.

#### ***EXTERNAL AUDIT***

The Committee is responsible for recommending to the board of directors the appointment and compensation of the external auditor. The Committee must pre-approve all non-audit services provided by the external auditor.

The Committee is directly responsible for overseeing the work of the external auditor.

The Committee shall be responsible for assessing the skills, resources and independence of the external

auditor, including the audit firm's internal policies and practices for quality control and shall be satisfied with the content of the auditor's plan, including the fee estimate and engagement letter prior to it being signed. This will include determining if any change is required to the auditor's proposed materiality level and scope. The Committee shall also consider areas of significant auditor judgement, key areas of risk for material misstatement of financial statements, significant or unusual transactions and enquire about internal control deficiencies and any disagreements with management. The auditor shall report on any non-audit services rendered to the Company and related fees. The Committee with management shall assess the overall results of the annual audit using predetermined criteria and recommend the appointment or reappointment of the auditor.

## **INTERNAL CONTROLS**

The Committee shall be responsible for ensuring the Company adopts appropriate systems of internal control over the preparation of its financial statements and reporting requirements. The Committee shall review annually and recommend to the Board an Internal Control Framework. In addition, the Committee shall review and evaluate regular management reports on the effectiveness of internal controls and procedures including CEO and CFO certification requirements. Material control deficiencies shall be reported to the Committee until remedied. The Chief Financial Officer, among others, shall be the principal resources to the Committee on internal controls.

## **OTHER**

The Committee shall review its Charter annually and recommend any changes to the Board for approval.

On a regular basis, the Committee shall meet privately with each of the Chief Financial Officer and the External Auditor.

The Board has delegated to the Committee primary responsibility for certain Board activities, policies and oversight functions. In that respect, the Committee has authority to review, amend and approve the policies and items listed in the attached Appendix "A" (the "Delegated Authority"). Any action taken by the Committee under the Delegated Authority is deemed to have been approved by the Board. The Committee may, if it deems necessary, recommend that the Board review and approve any item for which it has Delegated Authority. On a quarterly basis the Committee will advise the Board what actions were taken under the Delegated Authority.

## **MEMBERSHIP AND COMPANY**

1. *Composition* - The Committee is a standing committee of the Board consisting of a minimum of three members, all of whom are non-management directors. The Committee shall be composed entirely of directors who are independent, as defined by section 1.4 of NI 52-110, and who satisfy all other applicable legal, regulatory and stock exchange requirements necessary for an assignment to any such committee. At the invitation of the Committee, members of the Company's management and others may attend Committee meetings as the Committee considers necessary or desirable.
2. *Appointment* - The Committee comprises of the Chairperson of the Committee along with a minimum of two other members elected by the non-management directors on the Board. Each member of the Committee shall be appointed by the Board on an annual basis and shall serve at the pleasure of the Board, or until the earlier of: (a) the close of the next annual meeting of shareholders of the Company, at which the member's term of office expires; (b) the resignation, disqualification or removal of the member from the Committee or from the Board. The Board may fill a vacancy in the membership of the Committee at any time.
3. *Chair* - At the time of the annual appointment of the members of the Committee, the Board shall appoint a Chair of the Committee. The Chair shall: preside over all Committee meetings; coordinate the Committee's compliance with this Charter; work with management to develop the Committee's meeting agendas and annual work plan; and provide reports on the work of the Committee to the

Board. The Chair of the Committee may vote on any matter requiring a vote and shall provide a second vote in the **case** of a tie vote.

4. *Independence* - Each member of the Committee shall meet the independence standards established by the Board and any additional standards required of a member of an audit committee under the Acts.
5. *Authority* - The Committee shall have unrestricted access to management and employees of the Company. The Committee shall have the authority to retain and terminate external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the compensation for these advisors without consulting or obtaining the approval of the Board or any officer of Company. The Company shall provide appropriate funding, as determined by the Committee, for the services of these advisors.
6. *Delegation* - The Committee may designate a sub-committee to review any matter within this Charter as the Committee deems appropriate.
7. *Meetings* - The Committee will meet at least four times per year and as required to carry out its Charter responsibilities, and will meet at the request of the Board or management to review any proposed matters as required. The Chairman of the Committee may call a meeting of the Committee at any time. A majority of the members shall constitute a quorum to transact business at the meeting.

Notice of a meeting of the Committee shall be given to each member of the Committee. Notice of each meeting of the Committee shall be given to the Chairman of the Board who shall be entitled to attend at the meeting. The Committee will however have the right to meet alone without the presence of officers and employees of the Company. The Committee may, from time to time, invite such persons as it may see fit to attend its meeting and to take part in discussion and consideration of the affairs of the Committee.

8. *Secretary and Minutes* - The Corporate Secretary, his or her designate or any other person the Committee requests, shall act as secretary of Committee meetings. Minutes of Committee meetings shall be recorded and maintained by the Corporate Secretary and subsequently presented to the Committee for approval.
9. *Reporting* - The Chair shall report to the Board on material matters arising at Committee meetings and, where applicable, shall present the Committee's recommendations to the Board for its approval.

## **REFERENCE DOCUMENTS**

Board of Directors Charter  
NI 52-110

## **APPENDIX “A” DELEGATED AUTHORITY**

The Board has delegated to the Audit & Risk Committee the authority to annually review, amend as necessary and approve the following:

- External Auditor’s year end Audit Plan including a Statement of Independence and fee estimate
- Assessment of the overall performance of the External Auditor
- CFO role descriptions

The Board has delegated to the Chair of the Audit and Risk Committee the authority to approve non-audit services and fees. The Chair may, at their discretion, bring to the Committee for the Committee’s consideration any significant non-audit service or non-audit fee estimate proposed by the auditors.