

**PHOTON CONTROL INC.  
COMPENSATION COMMITTEE MANDATE**

As of April 5, 2018

**1. Purpose And Scope**

The Compensation Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Photon Control Inc. (the “**Company**”) shall exercise the responsibilities and duties set forth below, including but not limited to, determining and making recommendations with respect to all forms of compensation to be granted to the Chief Executive Officer of the Company (“**CEO**”), and reviewing the CEO’s recommendations respecting compensation of the other senior executives of the Company.

**2. Membership**

***Number of Members***

The Committee shall be composed of three or more members of the Board.

***Independence of Members***

Each member of the Committee shall be independent, within the meaning of the provisions of National Policy 58-201 *Corporate Governance Guidelines*, subject to any exemptions or relief that may be granted from such requirements.

***Term of Members***

The members of the Committee shall be appointed annually by the Board. Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a member of the Board. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

**3. Meetings**

***Number of Meetings***

The Committee shall meet as many times as required to carry out its duties and responsibilities. The Committee shall hold *in camera* meetings at each Committee meeting.

***Quorum***

No business may be transacted by the Committee at a meeting unless a quorum of the Committee is present. A majority of members of the Committee shall constitute a quorum.

***Minutes; Reporting to the Board***

The Committee shall maintain minutes or other records of meetings and activities of the Committee in sufficient detail to convey the substance of all discussions held. Upon approval of the minutes by the Committee, the minutes shall be circulated to the members of the Board. However, the Chair may report orally to the Board on any matter in his or her view requiring the immediate attention of the Board.

***Attendance of Non-Members***

The Committee may invite to a meeting any officers or employees of the Company, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities.

***Procedure***

The procedures for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those applicable to meetings of the Board.



#### 4. Duties and Responsibilities

To fulfil its responsibilities and duties the Committee shall:

- (a) review and approve corporate goals and objectives relevant to CEO compensation;
- (b) evaluate the CEO's performance in light of those corporate goals and objectives, and make recommendations to the Board with respect to the CEO's compensation level based on its evaluation;
- (c) review the recommendations to the Committee of the Chief Executive Officer respecting the appointment, compensation and other terms of employment of the Chief Financial Officer, all senior management reporting directly to the Chief Executive Officer and all other officers appointed by the Board of Directors and, if advisable, approve and recommend for Board approval, with or without modifications, any such appointment, compensation and other terms of employment;
- (d) review executive compensation disclosure before the issuer publicly discloses this information;
- (e) submit a report to the Board on human resources matters at least annually;
- (f) prepare an annual report for inclusion in the Company's management information circular to shareholders respecting the process undertaken by the Committee in its review and preparing a recommendation in respect of Chief Executive Officer compensation;
- (g) administer and interpret the Company's share compensation arrangements and its policies respecting the grant of options or the sale of shares thereunder, and review and recommend for approval of the Board the grant of options thereunder and the terms thereof;
- (h) review on a periodic basis the terms of and experience with the Company's executive compensation programs for the purpose of determining if they are properly co-ordinated and achieving the purpose for which they were designed and administered;
- (i) oversee the Company's compliance with any rules promulgated by a regulatory body prohibiting loans to officers and directors of the Company;
- (j) establish a committee work plan that is disclosed publicly;
- (k) on a periodic basis, retain the services of a compensation consultant. The Committee shall approve in advance any other work the consultant performs at the request of management; and
- (l) review and assess the adequacy of this Mandate at least annually to ensure compliance with any rules of regulations promulgated by any regulatory body and recommend to the Board for its approval any modifications to this Mandate as considered.

#### 5. Independent Advisors

The Committee shall have the authority to retain external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective compensation for these advisers without consulting or obtaining the approval of the Board or any Company officer. The Company shall provide appropriate funding, as determined by the Committee, for the services of these advisors.



**6. No Rights Created**

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Articles and By-laws, it is not intended to establish any legally binding obligations.

