

# GOODFELLOW INC.

## COMPENSATION COMMITTEE CHARTER

<b>7. Compensation</b>	
<p>(a) Describe the process by which the board determines the compensation for the issuer's directors and officers.</p>	<p>The Board of Directors has a Compensation Committee composed of Claude A. Garcia, Stephen A. Jarislowsky, G. Douglas Goodfellow, Normand Morin and Alain Côté. All officers of the Corporation receive compensation that is believed to be competitive with the compensation packages paid by comparable corporations. The Compensation Committee manages the Stock Option Plan for senior executives and performs all other duties entrusted to it by the Board of Directors.</p> <p>The Compensation Committee reviews director compensation once a year. To make its recommendation on director compensation, the committee takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian corporations. Directors only receive their compensation in the form of cash. There is no minimum shareholding requirement.</p>
<p>(b) Disclose whether or not the board has a Compensation Committee composed entirely of independent directors. If the board does not have a Compensation Committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.</p>	<p>One of the members of the Compensation Committee—G. Douglas Goodfellow, secretary—is not an independent director, and the other four are independent. The committee met once in 2018, and all members attended the meetings.</p> <p>In order to ensure that the Compensation Committee follows an objective process even though one of its members is not independent, the chair of the Compensation Committee is independent and G. Douglas Goodfellow is asked to leave the meetings when its remuneration is discussed.</p> <p>The Compensation Committee is responsible for developing and maintaining the Corporation's compensation practices, including:</p> <ul style="list-style-type: none"> <li>➤ setting directors' compensation;</li> <li>➤ developing and recommending management compensation policies, profit-sharing programs and levels to the Board to make sure they are aligned with shareholders' interests and corporate performance;</li> </ul>

	<ul style="list-style-type: none"><li>➤ disclosing the Corporation's approach to executive compensation;</li><li>➤ developing performance objectives for the CEO and assessing the CEO's performance against them; and</li><li>➤ reviewing succession plans for senior officers of the Corporation.</li></ul>
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