

QUARTERHILL INC.  
COMPENSATION COMMITTEE CHARTER

1. Establishment and Purpose

- (a) The Board of Directors (the "**Board**") of Quarterhill Inc. ("**Quarterhill**") has established a Compensation Committee (the "**Committee**") to assist the Board in discharging the Board's oversight responsibilities relating to the compensation, development, succession and retention of the key executive employees of Quarterhill and its subsidiaries (collectively, the "**QH Group**"), and the establishment of fair and competitive compensation and performance incentive plans.

2. Composition and Membership

- (a) The Committee will consist of a minimum of three directors (the "**Members**"). The Members will be appointed for one-year terms or such other terms as the Board may determine and will serve until a successor is duly appointed by the Board or until the Member's earlier death, resignation, disqualification or removal. A Member will cease to be a Member upon ceasing to be a member of the Board. The Board may remove any Member from the Committee at any time with or without cause. The Board will fill Committee vacancies by appointing a member of the Board. If a vacancy on the Committee exists, the remaining Members will exercise all of the Committee's powers so long as a quorum exists.
- (b) All Members will be "independent" in accordance with National Policy 58-201 – *Corporate Governance Guidelines*.
- (c) The Board may appoint a chair of the Committee (the "**Chair**") from the Members. Subject to Section 2(a), the Board may determine the Chair's term of office.

3. Structure and Reporting

- (a) The Committee will meet as it deems necessary. The presence in person, virtually, or by telephone of a majority of the Committee's members will constitute quorum for any meeting of the Committee. All actions of the Committee will require the vote of a majority of its members present at a meeting of the Committee at which a quorum is present.
- (b) Minutes will be kept of all meetings of the Committee and will be signed by the Chair and the secretary of the meeting. The Chair may make the minutes of the meetings of the Committee available to all members of the Board. In addition, the Committee will report to the Board on all proceedings, deliberations, decisions and recommendations of the Committee, at such times and in such manner as the Board may require or, if the Board permits, as the Committee may, in its discretion, consider advisable.
- (c) The Committee will be governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), resolutions in writing in lieu of a meeting, notice, waiver of notice and voting requirements as are applicable to the Board.

#### 4. Authority

- (a) The Committee will have full access to all QH Group books, records, facilities and personnel. The Committee may require such QH Group officers, directors and employees as it may see fit, from time to time, to provide any information about QH Group as it may deem appropriate to request, and to attend and assist at meetings of the Committee. The Committee may adopt policies and procedures for carrying out its responsibilities.
- (b) The Committee may, at Quarterhill's expense and with prior approval of the Board, appoint, retain or obtain the advice of, and agree to compensate, compensation consultants, independent legal counsel or outside advisors to assist with the performance of its duties and the Committee will be directly responsible for such appointment, compensation and oversight.
- (c) The Committee may delegate from time to time to any person, including any individual member of the Committee, or subcommittee, any of the Committee's responsibilities that lawfully may be delegated.

#### 5. Responsibilities

- (a) In furtherance of the Committee's purposes, the Committee will:
  - (i) review and recommend for board approval, Quarterhill's human resources and compensation principles, policies and plans;
  - (ii) review, interpret, and make recommendations to the Board regarding incentive compensation plans and equity-based plans;
  - (iii) review and recommend for Board approval, CEO employment agreements;
  - (iv) annually review and make recommendations to the Board for approval regarding the corporate goals and objectives applicable to the compensation of the CEO, evaluate (at least annually) the CEO's performance in light of those goals and objectives, and determine and make recommendations to the Board with respect to the CEO's compensation level (both cash and equity based) based on information provided by AON or equivalent top-tier, globally relevant firm;
  - (v) review and recommend for Board approval the appointment, compensation and other terms of employment of all Named Executive Officers (NEO) based on information provided by AON or equivalent top-tier, globally relevant firm;
  - (vi) review and recommend for Board approval, company-wide short-term and long-term incentive compensation programs, including the selection and weighting of metrics, and the annual selection of performance goals relevant to the incentive compensation of the CEO and NEOs;
  - (vii) review and recommend approval of incentive compensation for the CEO and NEOs, taking into consideration performance relative to any applicable

performance goals and objectives;

- (viii) review and monitor compliance with the share ownership guidelines applicable to directors, the CEO and other executive officers and, if deemed advisable, make recommendations to the Board regarding such guidelines;
- (ix) review and make recommendations to the Board on Quarterhill's executive talent pipeline in terms of potential and readiness, and succession plans for key executive employees;
- (x) review and recommend for Board approval remuneration to be paid to directors;
- (xi) if requested by the CEO, provide input on major organizational changes;
- (xii) annually evaluate the Committee's performance as compared to the requirements of this Charter;
- (xiii) annually review the Committee's Charter and any other documents used by the Committee in fulfilling its responsibilities, and recommend any proposed changes to the Board for approval; and
- (xiv) perform any other activities as are consistent with this Charter, Quarterhill's by-laws, applicable legislation, guidelines and practices as the Board deems necessary or appropriate for the fulfillment of the Committee's duties and responsibilities.

## 6. Chairperson

The Chair's primary role is to ensure the Committee functions properly, meets its obligations and responsibilities, fulfills its purpose and is working effectively. Specifically, the Chair will:

- (a) chair meetings of the Committee;
- (b) together with the Chairperson of the Board, Quarterhill's Chief Executive Officer and such other Quarterhill executives as deemed necessary, set the agenda for meetings of the Committee and ensure that adequate information is distributed to Members in advance of such meetings in order that Members may properly inform themselves on matters to be acted upon;
- (c) assign work to Members;
- (d) act as liaison and maintain communication with the Board and its Chairperson to optimize and co-ordinate input from directors and to optimize the effectiveness of the Committee; and
- (e) provide leadership to the Committee with respect to its functions as described in the Committee's Charter and as otherwise may be appropriate.