

# **Notice of Annual and Special Meeting of Shareholders of Information Services Corporation**

to be held on June 30, 2020

## **and Management Information Circular**

May 29, 2020

[company.isc.ca](http://company.isc.ca)

TSX:ISV



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May 29, 2020

Dear Shareholder:

We are pleased to invite you to the annual and special meeting of shareholders of Information Services Corporation ("ISC"), which will be held at 1:00 p.m. (Saskatchewan time/MDT) on June 30, 2020, at Innovation Place, 6 Research Drive, Regina, Saskatchewan.

The annual and special meeting is an opportunity to consider matters of importance to ISC® and shareholders. You are encouraged to read the accompanying management information circular in advance of the meeting, which describes the business to be conducted at the meeting and provides information on ISC's approach to executive compensation and governance practices.

In light of ongoing concerns related to the spread of COVID-19, and in order to mitigate potential risks to the health and safety of our shareholders, employees and other stakeholders, ISC is encouraging shareholders and others not to attend the meeting in person this year.

This year, more than ever, we encourage you to vote your shares prior to the meeting. Please refer to the "How to Vote" section of the management information circular for further information.

Anyone who regards their physical attendance at the meeting as essential is asked to contact ISC at [investor.relations@isc.ca](mailto:investor.relations@isc.ca) so that appropriate measures can be put in place to facilitate physical distancing and other precautions to ensure the health and safety of all attendees. ISC will follow the guidance and orders of Provincial and Federal public health authorities in that regard, including those restricting the size of public gatherings.

An audio webcast of the meeting and conference call will be available at [company.isc.ca/investor-relations/events](http://company.isc.ca/investor-relations/events) and shareholders will have the opportunity to ask questions through the conference call at the end of the meeting. The audio file with a replay of the webcast will be available about 24 hours after the meeting on ISC's website at the link above. The Board of Directors and management look forward to your participation at the annual and special meeting.

Sincerely,

A handwritten signature in black ink, appearing to read "Joel Teal", written in a cursive style.

**Joel Teal**  
Board Chair

A handwritten signature in black ink, appearing to read "Jeff Stusek", written in a cursive style.

**Jeff Stusek**  
President and Chief Executive Officer



## Notice of Annual and Special Meeting

Notice is hereby given that the annual and special meeting ("Meeting") of shareholders of Information Services Corporation ("ISC" or the "Company") will be held on Tuesday, June 30, 2020, at 1:00 p.m. (Saskatchewan time/MDT) at Innovation Place, 6 Research Drive, Regina, Saskatchewan, for the following purposes:

1. To receive the Company's consolidated financial statements for the year ended December 31, 2019, and the auditor's report on those financial statements;
2. To elect directors of the Company for the ensuing year, subject to the right of the Lieutenant Governor in Council of the Province of Saskatchewan to appoint three of the members of the Board of Directors;
3. To appoint Deloitte LLP as our auditor for the ensuing year and to authorize the directors to fix the auditor's remuneration;
4. To consider, and if thought appropriate, approve unallocated options under, and amendments to, the Company's stock option plan; and
5. To transact such other business as may properly come before the Meeting and any adjournment or postponement thereof.

**YOUR VOTE IS IMPORTANT.** Our management information circular, which includes a detailed description of the matters to be dealt with at the Meeting, accompanies this Notice. As a shareholder, it is important that you read this material carefully and vote your shares.

To be valid, proxies (and changes thereto) must be received by ISC's Corporate Secretary, *c/o AST Trust Company (Canada)* by **1:00 p.m. (Saskatchewan time/MDT) on June 26, 2020**, or, if the Meeting is adjourned or postponed, at least 48 hours, exclusive of Saturdays, Sundays and holidays, before the adjourned or postponed Meeting is reconvened.

Dated at Regina, Saskatchewan on the 29th day of May, 2020.

By order of the Board of Directors,

A handwritten signature in black ink, appearing to read "Kathy Hillman-Weir".

**Kathy E. Hillman-Weir, Q.C.**  
**Executive Vice-President, Chief Corporate Officer,**  
**General Counsel and Corporate Secretary**

## COVID-19 Notice

We are actively monitoring the COVID-19 situation and are sensitive to the public health and travel concerns our shareholders, directors, employees, communities and other stakeholders may have as well as the protocols public health authorities may recommend.

This year, more than ever, we encourage you to vote your shares prior to the Meeting. Please read the "How to Vote" section in the accompanying management information circular or the instructions on the proxy or voting instruction form.

Anyone who regards their physical attendance at the Meeting as essential is asked to contact ISC at [investor.relations@isc.ca](mailto:investor.relations@isc.ca) so that appropriate measures can be put in place to facilitate physical distancing and other precautions to ensure the health and safety of all attendees. ISC will follow the guidance and orders of Provincial and Federal public health authorities in that regard, including those restricting the size of public gatherings.

We remind shareholders that an audio webcast of the Meeting and conference call will be available at [company.isc.ca/investor-relations/events](http://company.isc.ca/investor-relations/events) and shareholders will have an opportunity through the conference call to ask questions at the end of the Meeting. The audio file with a replay of the webcast will be available about 24 hours after the Meeting on ISC's website at the link above.

In the event it is not possible or advisable to hold the Meeting in person, we will announce alternative arrangements for the Meeting via news release as promptly as practicable, which may include changing the date, time or location of the Meeting.

We will post any updates on our website ([company.isc.ca/investor-relations](http://company.isc.ca/investor-relations)) as the situation develops.

# Management Information Circular

You have received this management information circular (“Circular”) because you owned Class A Limited Voting Shares (“Class A Shares”) of Information Services Corporation at the close of business on May 29, 2020 (“Record Date”).

As a shareholder, you have the right to attend our annual and special meeting (“Meeting”) of shareholders on June 30, 2020, and to vote your Class A Shares. In light of ongoing concerns related to the spread of COVID-19, and in order to mitigate potential risks to the health and safety of our shareholders, employees and other stakeholders, ISC is encouraging shareholders and others not to attend the Meeting in person this year. You can vote prior to the Meeting by following the instructions in the “How to Vote” section starting on page 7 in this Circular or the instructions on the proxy or voting instruction form and listen to the Meeting as set out in the “Audio Webcast and Conference Call” section on page 6 in this Circular.

In this Circular, “you” and “your” mean holders of Class A Shares. “We”, “us”, “our”, “Company” and “ISC” mean Information Services Corporation. All dollar amounts are in Canadian dollars (“\$” or “CAD\$”) unless otherwise stated.

This Circular and a form of proxy or voting instruction form will be mailed to shareholders. Unless we state otherwise, information in this Circular is as of May 29, 2020.

## ABOUT THIS CIRCULAR

This Circular is furnished in connection with the solicitation of proxies by and on behalf of the management of ISC for use at the Meeting and any adjournment or postponement of the Meeting.

This Circular explains what the Meeting will cover, the voting process and other important information you need to know, such as:

- three members of our Board of Directors (“Board” or “Board of Directors”) have been appointed by the Lieutenant Governor in Council of the Province of Saskatchewan pursuant to *The Information Services Corporation Act* (Saskatchewan) (“ISC Act”);
- the additional seven nominees for election to our Board of Directors will be elected by the holders of Class A Shares;
- the current auditor is proposed for appointment;
- unallocated options under, and amendments to, the Company’s stock option plan will be considered for approval;
- our governance practices; and
- 2019 compensation for our directors and executive officers.

The Board of Directors and management of the Company are soliciting proxies primarily by mail. ISC may also contact you personally or by telephone to encourage you to vote. The cost of this solicitation will be borne by ISC.

## About the Meeting

### WHAT WILL THE MEETING COVER?

There will be four items of business:

#### (i) Financial Statements

At the Meeting, you will receive our consolidated financial statements for the year ended December 31, 2019, and the auditor’s report on those financial statements. You can download a copy of our 2019 Annual Report that includes our 2019 consolidated financial statements and management’s discussion and analysis, which was mailed to those registered and beneficial shareholders who have requested it, from our website at [www.company.isc.ca](http://www.company.isc.ca) or from the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

## **(ii) Directors**

Subject to the Board appointment right of the Province of Saskatchewan, pursuant to which three directors have been appointed to the Board for the ensuing year, you will elect the remaining seven directors to our Board of Directors for a term of one year. You can read about the nominated and appointed directors, including their background, experience and the committees of the Board (“Board Committees” or any one, a “Committee”) on which they currently sit, starting on page 12.

## **(iii) Auditor**

You will vote on appointing the auditor. Representatives of Deloitte LLP (“Deloitte”) will be at the Meeting to answer any questions. You can read about the services Deloitte provided in 2019 and the fees paid to them starting on page 23.

## **(iv) Approval of Unallocated Options Under, and Amendments to, the Company’s Stock Option Plan**

You will vote on the approval of unallocated options under, and amendments to, the Company’s stock option plan.

As of the date of this Circular, the Board and management are not aware of any other items of business to be brought before the Meeting.

## **WE NEED A QUORUM**

We need a quorum to hold the Meeting and transact business. This means the persons attending the Meeting must hold or represent by proxy at least ten per cent of the total number of issued and outstanding Class A Shares.

## **AUDIO WEBCAST AND CONFERENCE CALL**

An audio webcast of the Meeting and conference call will be available at [company.isc.ca/investor-relations/events](http://company.isc.ca/investor-relations/events) and shareholders will have an opportunity through the conference call to ask questions at the end of the Meeting. The audio file with a replay of the webcast will be available about 24 hours after the Meeting on ISC’s website at the link above.

## **SHAREHOLDER PARTICIPATION**

Shareholders have the right to attend the Meeting and participate in person; however, in light of the current COVID-19 pandemic, shareholders are encouraged not to attend the Meeting in person this year and to listen to the live audio webcast referred to above. Shareholders listening through the conference call will have the opportunity to ask questions at the end of the Meeting.

# **Who Can Vote**

If you held Class A Shares at the close of business on May 29, 2020, you are entitled to receive notice of and attend the Meeting or any adjournment or postponement of the Meeting and to vote your Class A Shares. Each Class A Share you hold represents one vote.

A person who acquires Class A Shares after May 29, 2020, will be entitled to attend and vote the acquired Class A Shares at the Meeting provided that the transferee: (a) produces properly endorsed share certificates or otherwise establishes that the transferee owns the shares, and (b) demands, at least ten days before the Meeting, that his or her name be included in the list of shareholders.

The Company’s authorized share capital consists of an unlimited number of Class A Shares, one Class B Golden Share (“Golden Share”) and an unlimited number of Preferred Shares, issuable in series (“Preferred Shares”). There are 17,500,000 Class A Shares, one Golden Share and no Preferred Shares issued and outstanding. Only holders of Class A Shares and duly appointed proxy holders are entitled to vote. See “How to Vote” starting below for information on how to vote your shares.

# How to Vote

## **DETERMINING WHETHER YOU ARE A REGISTERED SHAREHOLDER OR A NON-REGISTERED (BENEFICIAL) SHAREHOLDER**

You are a **registered shareholder** if your shares are held in your name and you have a share certificate, or you hold your shares through the Direct Registration System. Your proxy form tells you whether you are a registered shareholder.

You are a **non-registered (or beneficial) shareholder** if the shares that you own are registered in the name of an intermediary such as a bank, a trust company, a securities broker, a trustee or other nominee and not in your own name. When you receive a voting instruction form, this tells you that you are a non-registered shareholder.

If you are not sure whether you are a registered or a non-registered shareholder, please contact our transfer agent, AST Trust Company (Canada) ("AST"):

**AST Trust Company (Canada)**  
1.800.387.0825  
www.astfinancial.com  
inquiries@astfinancial.com

## **REGISTERED SHAREHOLDERS**

Unless the context requires otherwise, in the Notice of Meeting, this Circular and the form of proxy provided, all references to "shareholders" are to registered shareholders.

Registered shareholders may vote their shares as follows:

- **IN PERSON:**

Attend the Meeting and vote your shares in person. You do not need to complete and return the form of proxy. Your vote will be recorded and counted at the Meeting. Please register with a representative of AST upon arrival at the Meeting. Given the current circumstances, the Company strongly encourages shareholders not to attend the Meeting in person this year.

- **BY PROXY:**

If you are unable to attend the Meeting in person, you may vote by proxy using one of the following methods:

- By Mail:** Complete and sign the enclosed form of proxy and send it by mail or delivery in the enclosed envelope to AST Trust Company (Canada), Attention: Proxy Department, P.O. Box 721, Agincourt, Ontario, M1S 0A1.
- By Fax:** Complete and sign the enclosed form of proxy and fax it to 1.866.781.3111 or 1.416.368.2502.
- By Email:** Complete, sign and scan the enclosed form of proxy and email it to proxyvote@astfinancial.com.
- Online:** Go to the website [www.ASTvotemyproxy.com](http://www.ASTvotemyproxy.com) and follow the instructions on the screen and on the enclosed proxy form. You will need your 13-digit control number noted on the form of proxy mailed to you.
- By Telephone:** Call 1.888.489.5760 (toll-free in North America) from a touch-tone phone and follow the voice instructions. You will need your 13-digit control number noted on the form of proxy mailed to you. You will not be able to appoint an alternate proxy holder to attend and vote at the Meeting on your behalf by telephone.

## **PROXY VOTING BY REGISTERED SHAREHOLDERS**

Proxy holders must vote your shares according to your instructions, including on any ballot that may be called at the Meeting. If there are changes to the items of business or new items properly come before the Meeting, a proxy holder can vote as he or she sees fit.

**When you sign the proxy form, you authorize ISC appointees, Joel Teal (Board Chair), Jeff Stusek (President and Chief Executive Officer) or Kathy Hillman-Weir, Q.C. (Executive Vice-President, Chief Corporate Officer, General Counsel and Corporate Secretary) to act as your proxy holder to vote your Class A Shares in accordance with your instructions. If**

**you return the proxy form and appoint one of the above-mentioned ISC proxy holders, and do not indicate how you want to vote your shares, they will vote as the Board of Directors recommends:**

- **for** electing the seven nominated directors described in this Circular;
- **for** appointing Deloitte LLP as the auditor;
- **for** approval of the unallocated options under, and amendments to, the Company's stock option plan.

**You can appoint someone else to be your proxy holder.** This person does not need to be a shareholder. To do so, strike out the three names that are printed on the proxy form and print the name of the person you want to act on your behalf in the space provided. Make sure the person you are appointing knows that you have appointed them as your proxy holder and that he or she needs to attend the Meeting. Your proxy holder will need to register with our transfer agent when they arrive at the Meeting.

**Please note that, in order for your vote to be recorded, your proxy must be received by AST or the Corporate Secretary at least 48 hours, exclusive of Saturdays, Sundays and holidays, before the Meeting.** If the Meeting is adjourned or postponed and you wish to change your proxy holder or appoint a new one, your proxy must be received by AST or the Corporate Secretary at least 48 hours, exclusive of Saturdays, Sundays and holidays, before the adjourned or postponed Meeting is reconvened.

### **NON-REGISTERED (OR BENEFICIAL) SHAREHOLDERS**

There are two kinds of non-registered (or beneficial) shareholders: (i) those who do not object to the Company knowing who they are, referred to as non-objecting beneficial owners ("NOBOs"); and (ii) those who object to their names being made known to ISC, referred to as objecting beneficial owners ("OBOs").

### **DISTRIBUTION OF MEETING MATERIALS TO NOBOS**

ISC is utilizing provisions of National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* that permit us to deliver proxy-related materials directly to you as a NOBO. As a result, you can expect to receive a voting instruction form, unless you have waived your right to receive Meeting materials. You can vote using the voting instruction form as follows:

- By Mail:** Complete and sign the enclosed voting instruction form and send it by mail or delivery in the enclosed envelope to AST Trust Company (Canada), Attention: Proxy Department, P.O. Box 721, Agincourt, Ontario, M1S 0A1.
- By Fax:** Complete and sign the enclosed voting instruction form and fax it to 1.866.781.3111 or 1.416.368.2502.
- By Email:** Complete, sign and scan the enclosed voting instruction form and email it to [proxyvote@astfinancial.com](mailto:proxyvote@astfinancial.com).
- Online:** Go to the website [www.ASTvotemyproxy.com](http://www.ASTvotemyproxy.com) and follow the instructions on the screen and on the enclosed voting instruction form. You will need your 13-digit control number noted on the voting instruction form mailed to you.
- By Telephone:** Call 1.888.489.5760 (toll-free in North America) from a touch-tone phone and follow the voice instructions. You will need your 13-digit control number noted on the voting instruction form mailed to you. You will not be able to appoint an alternate proxy holder to attend and vote at the Meeting on your behalf by telephone.
- In Person:** As a non-registered (or beneficial) shareholder, you can only vote your Class A Shares in person at the Meeting if you have previously appointed yourself as the proxy holder for your shares. Given the current circumstances, the Company strongly encourages shareholders not to attend the Meeting in person this year. To attend in person, strike out the three names that are printed on the voting instruction form and print your name in the space provided on the form. Submit the completed form to AST as directed on the form. Alternatively, you may also appoint someone else as your proxy holder and direct the voting of your shares. Strike out the three names that are printed on the voting instruction form and print your proxy holder's name in the space provided on the voting instruction form. Submit the completed form to AST as directed on the form. You or your proxy holder will need to register with our transfer agent on arrival at the Meeting.

This Circular and related material is being sent directly to you by ISC, or its agent, AST. Your name, address and information about your shares have been obtained according to applicable securities regulatory requirements from the intermediary that holds your Class A Shares on your behalf.

By choosing to send these materials to you directly, ISC (and not the intermediary) has assumed responsibility for: (i) delivering these materials to you; and (ii) completing your proper voting instructions.

Please return your voting instructions as specified in the request for voting instruction form enclosed with the mailing to you as a NOBO.

**Please note that, in order for your vote to be recorded, your voting instructions, including your proxy holder appointment, must be received by AST or the Corporate Secretary at least 48 hours, exclusive of Saturdays, Sundays and holidays, before the Meeting.** If the Meeting is adjourned or postponed and you wish to change your proxy holder or appoint a new one, your voting instructions, including your proxy holder appointment, must be received by AST or the Corporate Secretary at least 48 hours, exclusive of Saturdays, Sundays and holidays, before the adjourned or postponed Meeting is reconvened.

## **DISTRIBUTION OF MEETING MATERIALS TO OBOs**

We do not have access to the names or shareholdings of our OBOs. Your intermediary is required to ask for your voting instructions before the Meeting. Please contact your intermediary if you did not receive a voting instruction form or a proxy form. We pay for your intermediary to deliver these materials and a voting instruction form to OBOs.

OBOs will receive Meeting materials from their intermediaries unless an OBO has waived the right to receive them. Generally, OBOs who have not waived the right to receive Meeting materials will be given a voting instruction form which must be completed and signed by the OBO in accordance with the directions on the voting instruction form or, more rarely, will be given a proxy already signed by the intermediary and restricted as to the number of shares beneficially owned by the OBO but which is otherwise not completed.

Should an OBO who receives either a proxy or a voting instruction form wish to attend and vote at the Meeting in person (or have another person attend and vote on their behalf), the OBO should strike out the names of the persons named in the proxy and insert the OBO's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the instructions on the form. By doing so, the OBO is instructing the intermediary to appoint them or their designate as proxy holder. As noted previously, the Company strongly encourages shareholders not to attend the Meeting in person this year.

**The purpose of this procedure is to permit you, as an OBO, to direct the voting of your shares. If you are an OBO, you should carefully follow the instructions of the intermediaries and their service companies or AST, as the case may be.**

## **DO YOU HOLD CLASS A SHARES AS BOTH A REGISTERED AND NON-REGISTERED (OR BENEFICIAL) SHAREHOLDER?**

If some of your shares are registered in your name and some are held by your nominee, you will need to follow two sets of voting instructions. Please follow the instructions carefully. The voting process is different for registered and non-registered (or beneficial) shareholders.

## **CHANGING YOUR VOTE**

### ***Registered Shareholders***

If you vote by proxy, you can revoke or change your voting instructions, but we must receive your instructions to change or revoke your vote in time, or you can vote in person instead. Your new voting instructions will revoke your earlier instructions. A shareholder who has given a proxy may revoke it, in any manner permitted by law, including by signing a proxy bearing a later date or a notice of revocation and, in either case, delivering it to the attention of the Corporate Secretary of the Company at its registered office at least 48 hours, exclusive of Saturdays, Sundays and holidays, before the Meeting or to the Chair of the Meeting on the day of the Meeting.

If you voted by fax, email, online or telephone, you can submit new voting instructions in a similar manner. Your new instructions will revoke your earlier instructions. If you voted by fax, email, online or telephone, you can also use a proxy form to submit new voting instructions, as long as they are received at least 48 hours, exclusive of Saturdays, Sundays and holidays, before the start of the Meeting.

You can also send us notice in writing (from you or a person authorized to sign on your behalf). We must receive it at least 48 hours, exclusive of Saturdays, Sundays and holidays, before the Meeting. Send your notice to the Corporate Secretary, Information Services Corporation, 300 – 10 Research Drive, Regina, Saskatchewan, S4S 7J7, or by fax: 1.306.787.9220. If your shares are owned by a corporation, your notice must be under a corporate seal or issued by an authorized officer of the corporation or its attorney.

#### ***Non-Objecting Beneficial Shareholders (NOBOs)***

You can revoke or change your voting instructions using any of the methods identified for submitting your initial voting instructions, but we must receive your instructions to change or revoke your vote in time. Your new voting instructions will revoke your earlier instructions. Your new voting instructions must be received at least 48 hours, exclusive of Saturdays, Sundays and holidays, before the start of the Meeting.

#### ***Objecting Beneficial Shareholders (OBOs)***

Contact your intermediary to find out how to change or revoke your vote and the timing requirements.

### **QUESTIONS?**

Contact our transfer agent:

**AST Trust Company (Canada)**

1.800.387.0825

[www.astfinancial.com](http://www.astfinancial.com)

[inquiries@astfinancial.com](mailto:inquiries@astfinancial.com)

### **COMMUNICATING WITH THE BOARD**

You can write to our Board or to individual directors by contacting our Corporate Secretary, Kathy Hillman-Weir, Q.C., Executive Vice-President, Chief Corporate Officer, General Counsel and Corporate Secretary, as follows:

Information Services Corporation

300 – 10 Research Drive, Regina, Saskatchewan S4S 7J7

[corporate.secretary@isc.ca](mailto:corporate.secretary@isc.ca)

Our head office is also our principal executive and registered office.

## **Principal Owners of Class A Shares**

As of May 29, 2020, there are 17,500,000 Class A Shares and one Class B Golden Share issued and outstanding. Both the Company's Articles and the ISC Act impose restrictions on ownership of the Company's shares. See our Annual Information Form available on our website at [www.company.isc.ca](http://www.company.isc.ca) or in our profile on SEDAR at [www.sedar.com](http://www.sedar.com) for further information.

As of May 29, 2020, the Board and management are not aware of any shareholder who directly or indirectly owns or exercises, or directs control over, more than ten per cent of our Class A Shares, other than:

- (a) Crown Investments Corporation of Saskatchewan ("CIC") which holds 5,425,000 Class A Shares representing 31.0 per cent of the issued and outstanding Class A Shares; and
- (b) CI Investments, Inc. which holds 2,605,210 Class A Shares representing approximately 14.9 per cent of the issued and outstanding Class A Shares.

As noted below under "Appointment of Directors by the Province of Saskatchewan", the Province of Saskatchewan has appointed three directors to the Board for the ensuing year and CIC will not be voting its Class A Shares with respect to the election of the remaining seven members to the Board at the Meeting.

# Business of the Meeting

This Circular contains information relating to the following items of business to be considered at the Meeting:

## **CONSOLIDATED FINANCIAL STATEMENTS**

At the Meeting, you will receive our consolidated financial statements for the year ended December 31, 2019, and the auditor's report on those financial statements. You can download a copy of our 2019 Annual Report that includes our 2019 consolidated financial statements and management's discussion and analysis, which was mailed to those registered and beneficial shareholders who have requested it, from our website at [www.company.isc.ca](http://www.company.isc.ca) or from the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

## **ELECTING OUR DIRECTORS**

### **Board Size**

Our articles allow us to have up to 12 directors. The Board has set the Board size at ten directors.

### **Appointment of Directors by the Province of Saskatchewan**

Both the Company's Articles and the ISC Act provide that, in lieu of voting the Class A Shares held by the Province of Saskatchewan through CIC on any resolution electing directors to the Board, the Lieutenant Governor in Council of the Province of Saskatchewan has the right to appoint that number of members to the Board equal to CIC's pro rata share of the issued and outstanding Class A Shares (rounded to the nearest whole number), but always subject to a minimum of two directors. The members of the Board appointed by the Province of Saskatchewan in 2020 will hold office until the conclusion of the 2021 annual meeting of shareholders.

CIC has advised that the Lieutenant Governor in Council of the Province of Saskatchewan has appointed Tom Christiansen, Doug Emsley and Joel Teal as members of the Board, to hold office commencing upon the conclusion of the 2020 annual and special meeting of shareholders, until conclusion of the 2021 annual meeting of shareholders of the Company. Profiles regarding the government appointees are set out below. The remaining seven directors will be elected by the holders of the Class A Shares (other than CIC) at the Meeting. Information regarding the election of directors by the holders of the Class A Shares is set out beginning on page 15.

### **Profiles for Government Appointed Directors**

The following profiles provide information about the directors appointed by the Lieutenant Governor in Council of the Province of Saskatchewan, including their background, key skills, the period during which they have served as a director of the Company, the number of shares or other securities of the Company held by such directors (including Class A Shares and deferred share units), the Board Committees on which they currently sit and 2019 attendance for the Board and Board Committees, and any other current board memberships.

## PROFILES FOR GOVERNMENT APPOINTED DIRECTORS

 <p><b>Tom Christiansen</b> C.Dir</p> <p><i>Residence:</i> Swift Current, SK</p> <p><i>Director Since:</i> 2009</p> <p><i>Occupation:</i> Business Owner</p> <p><i>Independent</i></p>	<p><b>Key Skills</b></p> <ul style="list-style-type: none"> <li>• Board experience</li> <li>• Public company leadership &amp; compliance</li> <li>• Managing/leading growth</li> <li>• Business management</li> <li>• Human resources</li> <li>• Corporate governance</li> </ul>	<p>Mr. Christiansen brings his many years of Saskatchewan business experience to the Board of ISC. He has been a director of ISC since 2009, has previously served as Board Chair of Information Services Corporation of Saskatchewan and has been a member of several Board committees.</p> <p>Mr. Christiansen has owned and operated Décor Complete Ltd., a retail flooring business in Swift Current, for more than 30 years.</p> <p>Within his local community, Mr. Christiansen is a founding member and current President of the Colts Football Alumni and Booster Club and a founding member of the Swift Current Minor Football Association.</p> <p>Mr. Christiansen was named as one of Saskatchewan's "Men of Influence" by SaskBusiness magazine in 2012.</p>																						
	<p><b>Board and Committee Membership</b></p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">2019 Attendance</th> <th rowspan="2">Other Current Board Memberships</th> </tr> <tr> <th>#</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Board of Directors</td> <td>9/9</td> <td>100%</td> <td></td> </tr> <tr> <td>Compensation Committee</td> <td>9/9</td> <td>100%</td> <td></td> </tr> <tr> <td>Overall Attendance</td> <td>18/18</td> <td>100%</td> <td></td> </tr> </tbody> </table>		2019 Attendance		Other Current Board Memberships	#	%	Board of Directors	9/9	100%		Compensation Committee	9/9	100%		Overall Attendance	18/18	100%		<p><b>Securities Held</b></p> <p>Includes all Class A Shares and all deferred share units held as of May 29, 2020, without regard to vesting, including deferred share units issued as dividend equivalents.</p> <table border="1"> <tr> <td><b>Class A Shares</b></td> <td>0</td> <td><b>Deferred Share Units</b></td> <td>11,445</td> </tr> </table>		<b>Class A Shares</b>	0	<b>Deferred Share Units</b>
	2019 Attendance		Other Current Board Memberships																					
	#	%																						
Board of Directors	9/9	100%																						
Compensation Committee	9/9	100%																						
Overall Attendance	18/18	100%																						
<b>Class A Shares</b>	0	<b>Deferred Share Units</b>	11,445																					



**Doug Emsley**  
MBA

*Residence:*  
Regina, SK

*Director Since:* 2013

*Occupation:*  
Chairman & CEO,  
Input Capital Corp.

*Independent*

### Key Skills

- Board experience
- Senior executive/strategic leadership
- Public company leadership & compliance
- Financial knowledge
- Managing/leading growth
- Business management
- Human resources
- Corporate governance
- Risk management
- Investment banking/mergers & acquisitions
- Legal
- Government relations & service delivery

Mr. Emsley's wide array of business and professional experience contributes to his role as Chair of the Compensation Committee as well as his membership on the ISC Board. Mr. Emsley is the President, Chief Executive Officer and Chairman of Input Capital Corp., the world's first agricultural streaming corporation. Input Capital Corp. is a publicly traded company, which is listed on the Toronto Venture Exchange ("TSX.V").

He is also the President of Emsley & Associates (2002) Inc., (which operates an executive business centre in downtown Regina), Chairman and CEO of Security Resource Group Inc. (a cybersecurity and physical security firm) and Sabre West Oil & Gas Ltd. (an oil and gas company).

Mr. Emsley is also the Chief Executive Officer and Chairman of Assiniboia Capital Corp., which previously managed Saskatchewan's largest farmland portfolio.

Mr. Emsley's previous board experience includes directorship with the Public Policy Forum, Saskatchewan Roughriders Football Club and several years on the board of the Bank of Canada.

### Board and Committee Membership

#### 2019 Attendance

#### Other Current Board Memberships

	2019 Attendance		Other Current Board Memberships
	#	%	
Board of Directors	9/9	100%	<ul style="list-style-type: none"> <li>• Chairman and CEO, SRG Security Resource Group Inc.</li> <li>• Director, Greenfield Carbon Offsetters Inc.</li> <li>• Director &amp; Chair, Input Capital Corp.</li> </ul>
Compensation Committee Chair	9/9	100%	
Overall Attendance	18/18	100%	

### Securities Held

Includes all Class A Shares and all deferred share units held as of May 29, 2020, without regard to vesting, including deferred share units issued as dividend equivalents.

<b>Class A Shares</b>	<b>2,950</b>	<b>Deferred Share Units</b>	<b>11,445</b>
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**Joel Teal**  
BComm

*Residence:*  
Saskatoon, SK

*Director Since:* 2013

*Occupation:*  
Corporate Director

*Independent*

### Key Skills

- Board experience
- Senior executive/strategic leadership
- Public company leadership & compliance
- Managing/leading growth
- Financial knowledge
- Business management
- Risk management
- Human resources
- Investment banking/mergers & acquisitions
- Legal
- Corporate governance
- Government relations & service delivery

After a successful career in the home building industry, Mr. Teal brings both his business knowledge and extensive board experience to his role as Chair of ISC's Board of Directors. His board experience spans across provincial Crown corporations, private companies, sports and sponsorship roles.

He is retired from the position of President of Dundee Developments/Homes by Dundee, where he worked since 1996. Prior to this, Mr. Teal was the President and CEO of Preston Developments.

In 2015, Mr. Teal was the recipient of the Saskatchewan Chamber of Commerce Business Leader of the Year award.

Mr. Teal has been awarded the Saskatchewan Centennial Medal for Volunteerism and the Canada Medal of Bravery.

He was also recognized as Canadian Home Builder Member of the Year by the Canadian Home Builders Association and, in 2008, was named one of Saskatchewan's "Men of Influence" by SaskBusiness magazine. In 2009, he was a finalist for the Saskatchewan Chamber of Commerce Business Leader of the Year Award.

Board and Committee Membership	2019 Attendance		Other Current Board Memberships
	#	%	
Board of Directors	9/9	100%	• Board member, Jayman Legacy Holdings Inc.
Overall Attendance	9/9	100%	

### Securities Held

Includes all Class A Shares and all deferred share units held as of May 29, 2020, without regard to vesting, including deferred share units issued as dividend equivalents.

Class A Shares	3,000	Deferred Share Units	19,874
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## ELECTION OF DIRECTORS BY THE HOLDERS OF CLASS A SHARES

The number of directors to be elected at the Meeting is seven. Each such director will hold office until the next annual meeting of shareholders or until the successor of such director is duly elected or appointed, unless such office is earlier vacated in accordance with our bylaws.

The nominees proposed for election as directors, who were recommended to the Board by the Governance and Nominating Committee, are listed under the heading “Director Nominees” below. All seven of the nominees for election as directors at the Meeting are current directors of ISC standing for re-election.

You can vote for all of the nominees, vote for some and withhold your vote for others, or withhold your vote for all of the nominees. **The Board recommends that you vote FOR each of the nominees. Unless you instruct otherwise, the ISC proxy holders will vote for electing each of the nominees.**

All of the nominees are independent within the meaning of applicable securities laws. There is no family relationship between any of the nominees.

### DIRECTOR NOMINEES

The following profiles provide information about the nominated directors, including their background, key skills, the period during which they have served as a director of the Company, the number of shares or other securities of the Company held by such directors (including Class A Shares and deferred share units), the Board Committees on which they currently sit and 2019 attendance for the Board and Board Committees, and any other current board memberships.

 <p><b>Karyn Brooks</b> FCPA, FCA, BComm (Honours)</p> <p><i>Residence:</i> Calgary, AB</p> <p><i>Director Since:</i> 2016</p> <p><i>Occupation:</i> Corporate Director</p> <p><i>Independent</i></p>	<b>Key Skills</b>		Ms. Brooks brings significant financial knowledge to the Audit Committee and ISC’s Board. She is a corporate director, who has 20 years of executive experience as an officer of several large Canadian public companies. Prior to her retirement in 2014, she was Senior Vice-President & Controller at BCE Inc. and Bell Canada. Over the course of her career, Ms. Brooks was an active volunteer in the standard-setting process, both domestically and internationally, as a member of various committees and councils that either developed accounting standards or provided oversight and advice to standard-setting bodies. She also is a Trustee Emerita of Queen’s University, where she sat on the Board of Trustees from 2007 to 2014.											
	<ul style="list-style-type: none"> <li>• Board experience</li> <li>• Public company leadership &amp; compliance</li> <li>• Financial knowledge</li> <li>• Managing/leading growth</li> <li>• Business management</li> <li>• Corporate governance</li> <li>• Risk management</li> <li>• Investment banking/mergers &amp; acquisitions</li> <li>• Information technology</li> <li>• International business</li> </ul>		In 2009, Ms. Brooks was elected a Fellow of CPA Ontario and was named one of the Women’s Executive Network — Canada’s Most Powerful Women. She was named to the Canadian Board Diversity Council’s Diversity 50, a group of diverse board-ready candidates, in 2013. In 2014, she was the recipient of Financial Executives International (Canada) Distinguished Service Award.											
	<b>Board and Committee Membership</b>		<b>2019 Attendance</b>		<b>Other Current Board Memberships</b>									
			<table border="1"> <thead> <tr> <th>#</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>9/9</td> <td>100%</td> </tr> <tr> <td>11/11</td> <td>100%</td> </tr> <tr> <td>20/20</td> <td>100%</td> </tr> </tbody> </table>		#	%	9/9	100%	11/11	100%	20/20	100%	<ul style="list-style-type: none"> <li>• Director and Audit &amp; Human Resources, Safety and Governance member, Bird Construction Inc.</li> <li>• Trustee &amp; Finance and Legal Chair, Calgary Zoological Society and Calgary Zoological Foundation</li> <li>• Director and Audit Chair, Aspenleaf Energy Limited</li> </ul>	
	#	%												
	9/9	100%												
	11/11	100%												
	20/20	100%												
	<b>Securities Held</b>													
	Includes all Class A Shares and all deferred share units held as of May 29, 2020, without regard to vesting, including deferred share units issued as dividend equivalents.													
<b>Class A Shares</b>		2,500		<b>Deferred Share Units</b>										
		7,394												



**Tony Guglielmin**  
MBA, BA(Econ), CFA

*Residence:*  
Vancouver, BC

*Director Since:* 2013

*Occupation:*  
VP & CFO, Ballard Power Systems, Inc.

*Independent*

### Key Skills

- Board experience
- Senior executive/strategic leadership
- Public company leadership & compliance
- Financial knowledge
- Managing/leading growth
- Business management
- Corporate governance
- Risk management
- Investment banking/mergers & acquisitions
- Legal
- Information technology
- International business

Mr. Guglielmin has a strong financial background, including roles in treasury, investor relations, corporate development and strategic planning, which supports his role as Chair of ISC's Audit Committee. He is the Vice-President and Chief Financial Officer of Ballard Power Systems Inc., a position he has held since 2010. Previously, Mr. Guglielmin served as Senior Vice-President and Chief Financial Officer of the public-private partnership Canada Line Rapid Transit Inc., a rapid transit project connecting the Vancouver International Airport, the City of Richmond and downtown Vancouver.

Prior to joining Canada Line Rapid Transit Inc., Mr. Guglielmin held senior management roles at Finning International Inc. in Vancouver, was Corporate Treasurer of BC Hydro, and held various management positions with The Bank of Nova Scotia in Toronto.

Mr. Guglielmin belongs to a number of professional organizations, including Financial Executives International (Canada) and the Association of Investment Management and Research.

Board and Committee Membership	2019 Attendance		Other Current Board Memberships
	#	%	
Board of Directors	9/9	100%	• Director, Allera Health Products Inc.
Audit Committee Chair	11/11	100%	• Director, 0763314 BC Ltd. - DBA GolfTEC Canada
Overall Attendance	20/20	100%	• Director, Little Flower Academy Foundation

### Securities Held

Includes all Class A Shares and all deferred share units held as of May 29, 2020, without regard to vesting, including deferred share units issued as dividend equivalents.

<b>Class A Shares</b>	7,500	<b>Deferred Share Units</b>	11,445
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**Scott Musgrave**  
MBA, B.Mgmt., BEd

*Residence:*  
Lloydminster, AB

*Director Since:* 2010

*Occupation:*  
Executive and  
Businessman

*Independent*

**Key Skills**

- Board experience
- Senior executive/strategic leadership
- Public company leadership & compliance
- Financial knowledge
- Managing/leading growth
- Business management
- Human resources
- Risk management
- Investment banking/mergers & acquisitions
- Legal
- Information services industry
- Information technology

Mr. Musgrave strengthens both ISC’s Board and Audit Committee with his extensive business management experience. He is an executive and shareholder within the Musgrave group of companies, primarily a real estate and development company.

In addition to this core business, the Musgrave group of companies has ownership and provides managerial involvement for a diversified group of businesses including aviation, insurance services and environmental road solutions.

Board and Committee Membership	2019 Attendance		Other Current Board Memberships
	#	%	
Board of Directors	9/9	100%	
Audit Committee	11/11	100%	
Overall Attendance	20/20	100%	

**Securities Held**

Includes all Class A Shares and all deferred share units held as of May 29, 2020, without regard to vesting, including deferred share units issued as dividend equivalents.

<b>Class A Shares</b>	10,287	<b>Deferred Share Units</b>	11,445
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**Iraj Pourian**  
M.Sc.

*Residence:*  
Vancouver, BC

*Director Since:* 2016

*Occupation:*  
Management  
Consultant, Adjunct  
Professor and Corporate  
Director

*Independent*

**Key Skills**

- Board experience
- Senior executive/strategic leadership
- Public company leadership & compliance
- Managing/leading growth
- Business management
- Human resources
- Corporate governance
- Risk management
- Government relations & service delivery
- Information services industry
- Information technology
- International business

Mr. Pourian’s background in consulting, information management and information technology spans over 30 years and includes significant experience in strategic planning, contract management, program management, business transformation, change management and organizational design.

Mr. Pourian has owned and operated Pourian Consulting Inc. since 2008. He is the former President and CEO of Sierra Systems Inc. He has been involved in mergers and acquisitions, working closely with boards of directors and investment advisors.

He has direct working experience in complex business development and delivery of large complex capital investment initiatives. He provides executive leadership for complete organizational and business transformation strategies with particular emphasis on value creation. His business advisory and management consulting industry experience spans government, manufacturing, banking, service and retail industries.

Mr. Pourian has been an adjunct professor at the University of Victoria, teaching within the MBA program. He holds a Master of Science degree, majoring in Management Information Systems, from Sheffield City University, U.K.

Board and Committee Membership	2019 Attendance		Other Current Board Memberships
	#	%	
Board of Directors	9/9	100%	
Governance and Nominating Committee	5/5	100%	
Overall Attendance	14/14	100%	

**Securities Held**

Includes all Class A Shares and all deferred share units held as of May 29, 2020, without regard to vesting, including deferred share units issued as dividend equivalents.

<b>Class A Shares</b>	0	<b>Deferred Share Units</b>	7,394
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**Laurie Powers**  
CPA, CA, BComm, ICD.D

*Residence:*  
Regina, SK

*Director Since:* 2018

*Occupation:*  
President and CEO,  
Canterra Capital Corp.

*Independent*

**Key Skills**

- Board experience
- Senior executive/strategic leadership
- Public company leadership & compliance
- Financial knowledge
- Managing/leading growth
- Business management
- Human resources
- Corporate governance
- Risk management
- Investment banking/mergers & acquisitions
- Government relations & service delivery
- Information services industry

Ms. Powers expands the range of financial competencies on the ISC Board and Compensation Committee. She is a seasoned financial executive with over 25 years of experience in the private sector as well as with Saskatchewan Crown corporations. Ms. Powers is currently the President and Chief Executive Officer of Canterra Capital Corp., managing a diversified portfolio consisting of 175,000 acres of farmland on behalf of the CPP Investment Board.

Previous positions include the Senior Portfolio Manager of Assiniboia Capital Corp., Vice-President, Private Investments at Harvard Developments Inc., Chief Financial Officer at Victoria Park Capital Inc., Chief Financial Officer at Investment Saskatchewan, and Chief Financial Officer of Information Services Corporation of Saskatchewan.

Ms. Powers holds a Bachelor of Commerce degree from the University of Saskatchewan and has her CPA, CA designation. She has been awarded her ICD.D designation by the Institute of Corporate Directors.

Board and Committee Membership	2019 Attendance		Other Current Board Memberships
	#	%	
Board of Directors	9/9	100%	<ul style="list-style-type: none"> <li>• Director, Peace Hills Insurance</li> <li>• Director, Canterra GP Ltd.</li> <li>• Director, AVAC Ltd.</li> </ul>
Compensation Committee	9/9	100%	
Overall Attendance	18/18	100%	

**Securities Held**

Includes all Class A Shares and all deferred share units held as of May 29, 2020, without regard to vesting, including deferred share units issued as dividend equivalents.

<b>Class A Shares</b>	0	<b>Deferred Share Units</b>	3,915
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**Heather Ross**  
BComm (Honours), ICD.D

*Residence:*  
Toronto, ON

*Director Since:* 2018

*Occupation:*  
Corporate Director

*Independent*

### Key Skills

- Board experience
- Senior executive/strategic leadership
- Public company leadership & compliance
- Financial knowledge
- Managing/leading growth
- Business management
- Corporate governance
- Risk management
- Investment banking/mergers & acquisitions
- Information technology

Ms. Ross brings a broad range of functional experiences to the ISC Board, with competencies in strategy and execution of key mandates, innovation and technology, and risk management.

She is a corporate director, who previously retired as a senior executive from TD Bank Group. Throughout her tenure at TD, she held a number of positions including, most recently, Senior Vice-President of Personal Banking Operations at TD Canada Trust. Previously, she held the positions of Chief Information Officer (CIO), and Senior Vice-President of Retail Transformation.

Prior to joining TD Bank Group, Ms. Ross ran Lenovo Canada Ltd., prior to which she held various senior roles with IBM Corporation.

### Board and Committee Membership

#### 2019 Attendance

#### Other Current Board Memberships

	2019 Attendance		Other Current Board Memberships
	#	%	
Board of Directors	9/9	100%	<ul style="list-style-type: none"> <li>• Lead Independent Director, Chair, Compensation, Governance &amp; Nominating Committee and member, Audit Committee, Stelco Holdings Inc.</li> <li>• Member, Conduct Review and Human Resources Committee and member, Nomination and Governance Committee, RSA Canada</li> </ul>
Governance and Nominating Committee	5/5	100%	
Overall Attendance	14/14	100%	

### Securities Held

Includes all Class A Shares and all deferred share units held as of May 29, 2020, without regard to vesting, including deferred share units issued as dividend equivalents.

**Class A Shares**

0

**Deferred Share Units**

3,915

 <p><b>Dion E. Tchorzewski</b> LL.B, BA, ICD.D</p> <p><i>Residence:</i> Regina, SK</p> <p><i>Director Since:</i> 2013</p> <p><i>Occupation:</i> Lawyer</p> <p><i>Independent</i></p>	<p><b>Key Skills</b></p> <ul style="list-style-type: none"> <li>• Board experience</li> <li>• Managing/leading growth</li> <li>• Business management</li> <li>• Human resources</li> <li>• Corporate governance</li> <li>• Risk management</li> <li>• Investment banking/mergers &amp; acquisitions</li> <li>• Legal</li> <li>• Government relations &amp; service delivery</li> <li>• Information services industry</li> <li>• International business</li> </ul>	<p>Mr. Tchorzewski brings his legal expertise to his role as Chair, Governance and Nominating Committee and to the ISC Board. He has practised law in Saskatchewan and internationally for more than 25 years and is a partner in the Regina office of McDougall Gauley LLP. Mr. Tchorzewski's practice includes working with local, national and international businesses in the areas of corporate governance, real estate, secured lending and information technology.</p> <p>Mr. Tchorzewski has experience providing legal services to Saskatchewan's Crown corporations, including Saskatchewan Gaming Corporation. Mr. Tchorzewski's international experience includes private practice with the firm ASAR, during which he advised local and international business clients operating in the State of Kuwait.</p> <p>Mr. Tchorzewski is a member of the Law Society of Saskatchewan and the Canadian Bar Association. In 2017, Mr. Tchorzewski successfully completed the Director Education Program through the Rotman School of Management (University of Toronto), Edwards School of Business (University of Saskatchewan) and Levene Graduate School of Business (University of Regina) and was awarded his ICD.D designation by the Institute of Corporate Directors.</p>														
	<table border="1"> <thead> <tr> <th rowspan="2">Board and Committee Membership</th> <th colspan="2">2019 Attendance</th> <th rowspan="2">Other Current Board Memberships</th> </tr> <tr> <th>#</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Board of Directors</td> <td>8/9</td> <td>89%</td> <td rowspan="3"> <ul style="list-style-type: none"> <li>• Board Chair, Regina Pats Community Foundation Inc.</li> <li>• Member of the National Committee, Association of United Ukrainian Canadians</li> </ul> </td> </tr> <tr> <td>Governance and Nominating Committee Chair</td> <td>5/5</td> <td>100%</td> </tr> <tr> <td>Overall Attendance</td> <td>13/14</td> <td>93%</td> </tr> </tbody> </table>	Board and Committee Membership	2019 Attendance		Other Current Board Memberships	#	%	Board of Directors	8/9	89%	<ul style="list-style-type: none"> <li>• Board Chair, Regina Pats Community Foundation Inc.</li> <li>• Member of the National Committee, Association of United Ukrainian Canadians</li> </ul>	Governance and Nominating Committee Chair	5/5	100%	Overall Attendance	13/14
Board and Committee Membership	2019 Attendance		Other Current Board Memberships													
	#	%														
Board of Directors	8/9	89%	<ul style="list-style-type: none"> <li>• Board Chair, Regina Pats Community Foundation Inc.</li> <li>• Member of the National Committee, Association of United Ukrainian Canadians</li> </ul>													
Governance and Nominating Committee Chair	5/5	100%														
Overall Attendance	13/14	93%														
<p><b>Securities Held</b></p> <p>Includes all Class A Shares and all deferred share units held as of May 29, 2020, without regard to vesting, including deferred share units issued as dividend equivalents.</p> <table border="1"> <tr> <td><b>Class A Shares</b></td> <td>2,305</td> <td><b>Deferred Share Units</b></td> <td>11,445</td> </tr> </table>				<b>Class A Shares</b>	2,305	<b>Deferred Share Units</b>	11,445									
<b>Class A Shares</b>	2,305	<b>Deferred Share Units</b>	11,445													

## OUR POLICY ON MAJORITY VOTING

If any of the nominees receive more withheld votes than for votes, he or she will offer to resign. The Governance and Nominating Committee will make a recommendation to the Board to:

- accept the resignation;
- ask the director to continue serving but address the issue; or
- reject the resignation.

The director will not participate in any Board or Board Committee deliberations on the matter. If the Board accepts the director's resignation, the Board can appoint a new director to fill the vacancy. The Board must promptly disclose its final decision in a news release.

## **CEASE-TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS**

None of the nominated or appointed directors:

- (a) is, or has been within the last ten years, a director, chief executive officer or chief financial officer of any company that:
  - (i) was subject to an order that was issued while the nominated or appointed director was acting in the capacity as director, chief executive officer or chief financial officer; or
  - (ii) was subject to an order that was issued after the nominated or appointed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer;
- (b) is, or has been within the last ten years, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold its assets; or
- (c) has, within the last ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver-manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

For the purposes of the paragraphs above, "order" means: (i) a cease-trade order; (ii) an order similar to a cease-trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

No nominated or appointed director has:

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

## **CONFLICTS OF INTEREST**

To the best of our knowledge, there are no known existing or potential conflicts of interest between us and any of the nominated or appointed directors, as a result of their outside business interests, except that certain of our directors serve as directors or officers of other companies, and, therefore, it is possible that a conflict may arise between their duties to us and their duties as a director or officer of such other companies.

## **INDEMNIFICATION AND INSURANCE**

The Company has implemented a director and officer insurance program of \$25 million in coverage. In addition, the Company has entered into indemnification agreements with each of its directors and officers and the officers of its subsidiary, ISC Saskatchewan Ltd. The indemnification agreements generally require that the Company indemnify and hold the indemnitees harmless to the greatest extent permitted by law for liabilities arising out of the indemnitees' service to the Company or its subsidiaries as directors and officers, provided that the indemnitees acted honestly and in good faith and in a manner the indemnitees reasonably believed to be in or not opposed to the Company's best interests and, with respect to criminal and administrative actions or proceedings that are enforced by monetary penalty, the indemnitees had no reasonable grounds to believe that his or her conduct was unlawful. The indemnification agreements also provide for the advancement of defence expenses to the indemnitees by the Company.

## Appointing Our Auditor

You will be asked to vote on appointment of our auditor. You may vote for appointment of our auditor or withhold your vote. The Board, on a recommendation of the Audit Committee, proposes that Deloitte LLP be appointed as auditor and that you vote **FOR** the appointment of Deloitte LLP and authorize the directors to fix the auditor's remuneration.

If Deloitte LLP is appointed, they will serve as our auditor until the end of the next annual meeting of shareholders. Deloitte LLP was first appointed as auditor of ISC on March 6, 2013, following the completion of an audit services tendering process.

Deloitte LLP is a participating audit firm with the Canadian Public Accountability Board, as required under the Canadian Securities Administrators' National Instrument 52-108 – *Auditor Oversight*. Auditor independence is essential to the integrity of our financial statements and Deloitte LLP has confirmed its status as independent within the meaning of applicable Canadian securities laws.

### EXTERNAL AUDITOR SERVICES - FEES

The table below describes the Deloitte LLP audit fees, audit-related fees, tax fees and other fees billed to ISC in 2019 and 2018:

	2019	2018
<b>Audit fees</b> Includes the audit of our annual consolidated financial statements as well as the stand-alone audit of our subsidiaries, audits of statutory filings, report on internal controls, reviews of quarterly reports and regulatory filings	\$518,003	\$692,130
<b>Audit-related fees</b> Includes consultation concerning financial accounting and reporting standards not classified as audit, due diligence in connection with proposed or consummated transactions and assurance services to report on internal controls for third parties	\$48,666	\$37,488
<b>Tax fees</b> Includes tax planning and tax compliance matters, including the review of income tax returns and other tax filings	nil	nil
<b>All other fees</b> Includes other advisory services	nil	nil
<b>Total fees</b>	<b>\$566,669</b>	<b>\$729,618</b>

## Approval Of Unallocated Options Under, And Amendments To, The Company's Stock Option Plan

The Company's stock option plan (the "Stock Option Plan" or the "Plan") was instituted on March 19, 2014, and amended and restated on each of May 17, 2017, May 15, 2019, and March 17, 2020.

The Toronto Stock Exchange ("TSX") requires that every three years after the institution by an issuer of a security-based compensation arrangement that does not have a fixed maximum number of securities issuable, such as the Plan, all unallocated rights, options or other entitlements under such arrangement must be approved by a majority of the issuer's directors and by the issuer's security holders. Unallocated options under the Plan were most recently approved by shareholders of the Company at the annual and special meeting of shareholders held on May 17, 2017.

In accordance with the requirements of the TSX, shareholders will be asked at the Meeting to consider and, if thought appropriate, to pass an ordinary resolution to approve unallocated options under the Plan.

If the resolution to approve unallocated options is not passed, no further options will be granted (including in respect of options which are subsequently cancelled, terminated or exercised) until shareholder approval is obtained. Outstanding options will not be affected.

As at the date of this Circular, there were 1,548,247 options outstanding under the Plan, representing approximately 8.8 per cent of the Class A Shares outstanding as at the date of this Circular leaving 201,753 options that could be issued under the Plan, representing approximately 1.2 per cent of the outstanding Class A Shares.

The Board approved all unallocated options under the Stock Option Plan, as well as the amendments to the Plan, on March 17, 2020. These amendments will only remain effective if the shareholders approve the amendments at the Meeting. As such, shareholders will be asked at the Meeting to consider and, if thought appropriate, to pass an ordinary resolution to approve the amendments to and restatement of the Plan.

The full text of the Plan is attached to this Circular as Appendix A with the amendments indicated. A summary of the amendments is provided below. A summary of the full Stock Option Plan is set out under the heading "Stock Option Plan" beginning on page 48 hereof. The summary set forth below, and under the heading "Stock Option Plan" beginning on page 48 hereof, are subject to and qualified in their entirety by the provisions of the Stock Option Plan attached to this Circular as Appendix A.

The following is the summary of the amendments to the Plan approved by the Board on March 17, 2020, which require shareholder approval:

- (a) change the limitation provisions set forth in section 4.3(c) of the Plan to further limit non-employee director participation;
- (b) add a black-out period restriction as section 5.2 of the Plan, which restricts the issuance of options during a black-out period; and
- (c) add a claw-back provision as Article 13 of the Plan whereby options can be clawed back in certain specified circumstances such as material financial restatement.

The Plan was also amended on May 15, 2019, to: (i) add "cashless exercise" features to the Plan (which alternative exercise methods are customary in stock option plans for other listed issuers); and (ii) to add a covenant to the form of notice of exercise of stock options whereby on exercise the optionee will covenant with the Company that the optionee does not and will not hold more than 15 per cent of the total voting securities of the Company in contravention of the ISC Act. Such amendments do not require shareholder approval and are permissible under applicable TSX policies.

At the Meeting, the shareholders of the Company will be asked to pass the following resolutions:

**"BE IT RESOLVED THAT:**

1. the stock option plan (the "Plan") of the Company be amended and restated as described in the management information circular of the Company dated May 29, 2020;
2. all unallocated options (options that have not yet been granted) under the Plan, as further amended or supplemented from time to time, be and are hereby approved;
3. the Company shall have the ability to continue granting options under the Plan until June 30, 2023, being the date that is three years from the date on which shareholder approval of unallocated options under such Plan is being sought at a shareholder meeting; and
4. any one director or officer of the Company is hereby authorized, for and on behalf of the Company, to execute and deliver all such documents and instruments and to do all other things as in the opinion of such director or officer may be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, or the taking of any such action."

The above resolutions will require the affirmative vote of a majority of the votes cast thereon at the Meeting.

The Board recommends that shareholders vote in favour of the foregoing resolutions, and the persons named in the enclosed proxy intend to vote FOR the approval of the foregoing resolutions at the Meeting unless otherwise directed by the shareholders appointing them. The individuals named in the enclosed proxy will vote for this matter unless you instruct otherwise.

## Corporate Governance and Board Committees

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* requires the Corporation to disclose, on an annual basis, its approach to corporate governance with reference to the governance standards and guidelines set out in National Policy 58-201 – *Corporate Governance Guidelines* (NP 58-201) and National Instrument 52-110 – *Audit Committees* (NI 52-110). The Board and its Committees operate under charters that clearly define their roles and responsibilities. The Charter for the Board of Directors (“Board Charter”) and the charters of its Committees are reviewed regularly and updated accordingly by the Board, on the recommendation of the Governance and Nominating Committee.

### BOARD OF DIRECTORS

ISC currently has ten directors. Karyn Brooks, Tony Guglielmin, Scott Musgrave, Iraj Pourian, Laurie Powers, Heather Ross and Dion Tchorzewski were elected by the shareholders at ISC’s 2019 annual meeting. Joel Teal, Tom Christiansen and Doug Emsley were appointed by the Province of Saskatchewan. See “Appointment of Directors by the Province of Saskatchewan” on page 11. The Board has determined that each of these directors is independent within the meaning of NP 58-201.

Mr. Teal has been the Board Chair since 2013. The Board Chair is an independent director. The Board Chair’s general role is to: (i) provide independent, effective leadership to the Board so as to facilitate the functioning of the Board independently of management; and (ii) set the tone for the Board and its members in order to foster responsible decision making, appropriate oversight of management, and best practices in corporate governance.

### BOARD MANDATE

The Board is responsible for the stewardship and oversight of the affairs, business and effective management of the Company. The Board discharges this responsibility directly and indirectly through the delegation of specific responsibilities to committees of the Board pursuant to the Board Charter. The Board Charter provides that the primary responsibilities of the Board include to: (i) approve the strategic plan of the Company and monitor management’s implementation and execution of the strategic plan; (ii) approve the recruitment and appointment of the President and Chief Executive Officer (“CEO”) and ensure that succession plans are in place for the CEO and other executive officers; (iii) oversee and monitor the Company’s risk management systems, internal controls and management information systems; and (iv) ensure appropriate corporate governance policies are in place and monitor compliance with those policies. The full text of the Board Charter is available on our website at [www.company.isc.ca](http://www.company.isc.ca) under “Corporate Governance”.

*In camera* sessions are scheduled for every Board and Committee meeting.

### POSITION DESCRIPTIONS

The Board has written position descriptions for the Board Chair, the Chair of each of the Company’s Audit Committee (the “Audit Committee”), the Company’s Governance and Nominating Committee (the “Governance and Nominating Committee”) and the Company’s Compensation Committee (the “Compensation Committee”), and the CEO.

### BOARD COMMITTEES

The Board has established the Audit Committee, the Governance and Nominating Committee and the Compensation Committee, which are further described below. The full text of the charter of each of these Committees can be found on our website at [www.company.isc.ca](http://www.company.isc.ca) under “Corporate Governance”.

### ***Audit Committee***

The Audit Committee is comprised of the following members: Tony Guglielmin (Chair), Karyn Brooks and Scott Musgrave. See “Electing our Directors” for a brief summary of the education and experience of each Audit Committee member that is relevant to his/her performance as a member of the Audit Committee.

Every member of the Audit Committee is independent and “financially literate” for the purposes of NI 52-110. For further information on the composition and governance of the Audit Committee, see the discussion under “Audit Committee Matters” in our Annual Information Form filed on the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The specific responsibilities of the Audit Committee are set out in the charter for the Audit Committee, a copy of which is available on our website at [www.company.isc.ca](http://www.company.isc.ca) under “Corporate Governance” and is also attached as Appendix A to our Annual Information Form filed on the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com). The Audit Committee’s primary role is to assist the Board in fulfilling its oversight responsibilities regarding the Company’s financial and corporate performance, financial disclosure and accounting practices, risk management and internal controls, and internal and external audit processes.

The Audit Committee has direct responsibility regarding the Company’s quarterly financial and corporate performance and financial disclosure and for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services, including the resolution of disagreements between the external auditor and management. The external auditor reports directly to the Audit Committee. The Audit Committee is also responsible for reviewing and approving the Company’s hiring policies regarding current and former partners and employees of the external auditor. In addition, the Audit Committee pre-approves all non-audit services undertaken by the external auditor and can delegate such authority to one or more Audit Committee members or adopt specific policies for engagement of non-audit services. The Audit Committee is responsible for overseeing the internal audit process.

The Audit Committee is responsible for establishing and monitoring satisfactory procedures for the receipt, retention and treatment of complaints and for the confidential, anonymous submission of employee concerns regarding questionable accounting or auditing matters.

The Audit Committee is accountable to the Board and will provide a report to the Board at each regularly scheduled Board meeting outlining the results of the Audit Committee’s activities and any reviews it has undertaken.

### ***Governance and Nominating Committee***

The Governance and Nominating Committee is comprised of the following members: Dion Tchorzewski (Chair), Iraj Pourian and Heather Ross. Every member of the Governance and Nominating Committee is independent. The specific responsibilities of the Governance and Nominating Committee are set out in its charter, a copy of which is available on our website at [www.company.isc.ca](http://www.company.isc.ca) under “Corporate Governance”.

The Governance and Nominating Committee’s primary responsibilities include: (i) developing and recommending corporate governance practices applicable to the Board and Board Committees; (ii) identifying and recommending to the Board candidates for election to the Board and Board Committees; (iii) establishing criteria for and annually implementing a process to regularly evaluate the Board, the Board Chair, each Board Committee, the Board Committee Chairs and individual directors; and (iv) advising the Board on issues relating to ethics and potential conflicts of interest.

The Governance and Nominating Committee is accountable to the Board and will report annually to the Board the findings of any investigations of breaches of the Code of Conduct.

### ***Compensation Committee***

The Compensation Committee is comprised of the following members: Doug Emsley (Chair), Tom Christiansen and Laurie Powers. Every member of the Compensation Committee is independent. The specific responsibilities of the Compensation Committee are set out in its charter, a copy of which is available on our website at [www.company.isc.ca](http://www.company.isc.ca) under “Corporate Governance”.

The Compensation Committee is responsible on an annual basis for: (i) recommending to the Board for approval a compensation package for the directors; (ii) recommending to the Board for approval the CEO’s total compensation based on the Compensation Committee’s evaluation of the CEO’s performance and such other factors that such

Committee considers to be appropriate; and (iii) on the recommendation of the CEO, approving the other executive officers' total compensation.

Further information with respect to the Compensation Committee is set out under "Compensation Discussion and Analysis – Compensation Governance" starting on page 32.

## **ORIENTATION AND CONTINUING EDUCATION**

The orientation and continuing education of the directors is the responsibility of the Governance and Nominating Committee. The Governance and Nominating Committee is responsible to: (i) ensure that appropriate orientation, training and continuing education opportunities are in place for the Board; (ii) review and consider modifications to the Board orientation and education policy; and (iii) approve continuing education for individual directors.

Our orientation program familiarizes new directors with the nature and operation of ISC's business, the role of the Board, its Committees and individual directors. New directors are provided access to the Board manual with information related to ISC's corporate and organizational structure, recent filings and financial information, governance documents and policies. Introductions to the executive management team are provided through presentations and social gatherings. Site visits to select ISC operating facilities are arranged periodically. New Committee members are provided access to Committee mandate materials and recent Committee minutes.

Continuing education assists directors in maintaining the skills and knowledge necessary to continue to meet their obligations as directors of ISC. Ongoing education is provided by management through presentations to the Board and Committees as appropriate. Board members are encouraged to educate themselves by attending conferences, seminars or accreditation courses. ISC pays reasonable registration fees for directors to attend conferences, seminars or accreditation courses if the subject matter relates to the Board member's role on the Board or its Committees or is relevant to ISC's business.

## **ETHICAL BUSINESS CONDUCT**

The Company has a written code of conduct (the "Code of Conduct") that is applicable to the directors, officers and all employees of the Company. The Code of Conduct addresses expected business conduct, use of corporate information and property, expected work environment, conflict of interest and whistleblowing. The Code of Conduct can be found on the Company's website at [www.company.isc.ca](http://www.company.isc.ca) and in the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The Board is responsible for approving the Code of Conduct and taking reasonable steps to monitor compliance with the Code of Conduct. The Governance and Nominating Committee is responsible for monitoring compliance with the Code of Conduct.

As part of the Company's Code of Conduct, any person subject to the Code of Conduct is required to avoid or to fully disclose any circumstances that may be an actual, potential or perceived conflict of interest.

## **BOARD EVALUATION**

The Governance and Nominating Committee is responsible for establishing criteria for and annually implementing a process to regularly evaluate the Board, the Board Chair, each Board Committee, the Board Committee Chairs and individual directors in order to assess the effectiveness of the Board as a whole, each Board Committee, the Board and Committee Chairs, and the contribution of individual directors.

Board evaluation is used to foster and facilitate professional development and improved performance, strengthening the effectiveness of the Board as a whole. This process is a key mechanism for Board renewal.

Board performance evaluations are conducted on a two-year cycle. Year 1: evaluation of the Board, Board Chair, Committees and Committee Chairs; and Year 2: evaluation of individual Board members.

Evaluations may be followed by one-on-one interviews between individual Board members and the Board Chair. The Governance and Nominating Committee is responsible to identify areas for improvement, make recommendations on action items and follow up on their progress.

## **NOMINATING DIRECTORS**

In consultation with the Board and the CEO and, on an ongoing basis, the Governance and Nominating Committee is responsible for identifying individuals qualified to become new directors. Subject to the ISC Act and the appointment right of the Province of Saskatchewan (see "Appointment of Directors by the Province of Saskatchewan" on page 11), the Governance and Nominating Committee recommends to the Board for approval the proposed candidates for nomination to the Board having regard to: (i) the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess; (ii) the competencies and skills that the Board considers each existing director to possess; (iii) the competencies and skills that each new nominee will bring to the boardroom; (iv) the ability of each new nominee to devote sufficient time and resources to his or her duties as a Board member; and (v) gender diversity in composition of the Board.

The Governance and Nominating Committee uses a skills matrix, unique to ISC, to assess the composition of the Board and for recruiting new director candidates.

As part of the nomination process, the Governance and Nominating Committee maintains an evergreen list of potential candidates. Upon a vacancy or retirement in the elected members of the Board, the Governance and Nominating Committee is responsible to develop a candidate profile, select a short list of potential candidates and arrange for meetings among these individuals, the Board Chair and the CEO.

## **DIRECTOR TERM LIMITS AND OTHER MECHANISMS FOR BOARD RENEWAL**

Each director's term expires at the end of the next annual meeting of shareholders or when a successor is elected or appointed to the Board. The Governance and Nominating Committee is responsible for assessing each director's competencies and skills and reviewing the ideal attributes and skills for an effective Board. Regular evaluations are also conducted to assess the effectiveness of the Board, its Committees, leadership positions and individual directors. Each of these governance mechanisms contribute to overall Board renewal.

The Board prefers to approach Board renewal using the mechanisms described above rather than using the somewhat more arbitrary approach offered by director term limits. As a result, the Board has not adopted any director term limits. As the Governance and Nominating Committee continues to fulfil its mandate related to Board evaluation, assessment and nomination, Board renewal will regularly be considered in overall Board governance.

## **REPRESENTATION OF WOMEN ON THE BOARD AND IN EXECUTIVE OFFICER POSITIONS**

In 2015, the Board adopted a written gender diversity policy for the identification and selection of women directors and executive officers. The objective of the gender diversity policy is to increase and maintain an appropriate level of gender diversity as turnover occurs in the normal course, taking into account the skills, background and experience desired at any particular time to complement that of other directors or executive officers.

Gender diversity is considered by the Board as one of the many factors in the identification and selection process. In assessing the quality of candidates for Board nomination or executive appointments, ISC will consider an appropriate level of representation of women on the Board and executive management team. Specific targets for the representation of women on the Board and in executive officer positions have not been adopted. Rather, the Board believes it is in the best interest of the Company to consider candidates firstly on merit using objective criteria, with due regard to the benefits of diversity and the needs of the organization.

ISC is committed to promote an environment and culture of inclusiveness and gender diversity, encouraging leadership opportunities for women.

To measure the effectiveness of the gender diversity policy, the Governance and Nominating Committee will review the number of women considered or brought forward for Board and executive positions, periodically reporting back to the Board.

Out of the current ten Board members, three are women, representing 30 per cent of the Board.

Out of the current nine members of the ISC executive management team, four are women, representing approximately 44 per cent of the executive management team.

# Director Compensation

ISC’s director compensation philosophy is rooted in the objective of ensuring the ongoing ability to attract and retain qualified individuals to serve on the Board. Annual retainers are paid to compensate Board members for their contributions to ISC and for the time directors spend preparing for and carrying out their duties.

The Compensation Committee regularly reviews directors’ compensation after considering the advice of an independent compensation consultant, Korn Ferry (CA) Ltd. (“Korn Ferry”), taking into account such factors as the compensation provided by comparable companies, time commitment and the responsibilities required of directors. The comparator group used to establish competitive pay practices for directors’ compensation is recommended by Korn Ferry based, in part, on the comparator group used for executives. See “Compensation Discussion and Analysis — Comparator Group (Benchmark Companies)” starting on page 34 for more information.

## 2019 DIRECTOR COMPENSATION PROGRAM

The Board uses a flat fee annual retainer structure for director compensation, comprised of cash and deferred share units (“DSUs”) in near equal proportions. The flat fee annual retainer structure aligns with the ongoing responsibilities of the Board and is simpler to administer and disclose. Attendance at meetings is an important component of the role of a director; however, ISC’s Board provides continual oversight to the Company and a flat fee retainer structure better compensates for this responsibility. In all instances, director compensation is pro-rated to reflect status changes during the year, including retirement and appointments to new Board roles.

The 2019 director annual retainers are outlined in the following table:

Position	Cash Retainer	Equity Retainer <sup>1</sup>	Total Base Retainer	Additional Cash Retainer <sup>2</sup>
Board Chair	\$60,000	\$60,000	\$120,000	Nil
Director	\$33,000	\$33,000	\$66,000	Nil
Audit Committee Chair				\$21,000
Compensation Committee Chair				\$15,000
Governance and Nominating Committee Chair				\$15,000
Audit Committee Member				\$12,000
Compensation Committee Member				\$8,500
Governance and Nominating Committee Member				\$8,500

<sup>1</sup> The equity component of director compensation is granted through DSUs. See “Deferred Share Unit Plan” below for more information.

<sup>2</sup> Retainers for directors with committee responsibilities will comprise the Total Base Retainer set out in this table for a director plus any Additional Cash Retainer(s) set out in this table which reflect that director’s committee responsibilities.

Revisions to the Director Compensation and Expense Policy, as approved by the Board on December 11, 2018, came into force in May 2019. Notable changes to the policy include an overall adjustment to the cash and equity retainer reflecting internal relativity and reasonable market competitiveness.

## DEFERRED SHARE UNIT PLAN

The equity component of director compensation is granted through DSUs in accordance with the ISC Deferred Share Unit Plan (the “DSU Plan”) approved by the Board on March 19, 2014.

The purpose of the DSU Plan is to assist the Company in attracting, retaining and motivating qualified individuals to serve as members of the Board and to promote a greater alignment of interests between directors and shareholders. DSUs are a bookkeeping entry, with each DSU having the same value as a Class A Share. The award of DSUs is at the discretion of the Board from time to time as recommended by the Compensation Committee and DSUs awarded shall be on such terms and conditions as the Board may prescribe. DSU awards vest immediately, unless an alternate vesting schedule is specified by the Board at the time of the award. Additional DSUs are credited to reflect dividends paid on Class A Shares. The DSU Plan permits DSUs to be issued to members of the Board or senior executives of ISC.

The DSUs must be retained until the director leaves the Board, at which time the director will be entitled to redeem the DSUs and receive a cash payment equal to the number of DSUs credited to the director's account multiplied by the market price of the Class A Shares on the date(s) of redemption. Alternatively, the Company can elect to take all or part of the cash amount payable with respect to a redemption of DSUs and purchase Class A Shares in the market and deliver such shares in lieu of such cash amount. A director leaving the Board may elect up to three dates to redeem DSUs provided such election(s) is not earlier than 90 days and not later than December 15 of the calendar year following the calendar year in which such director left the Board.

## TRAVEL FEES

In addition to the flat fee annual retainer, a director whose place of residence is located such that the director must travel between 100 kilometres to 1,000 kilometres round trip from his or her place of residence will receive a travel fee of \$500 in recognition of time lost due to travel. A director whose place of residence is located such that the director must travel over 1,000 kilometres round trip from his or her place of residence will receive \$1,000 in recognition of time lost due to travel. If Directors are required to travel from holiday or business locations for regular meetings, for the purposes of travel fees, it is assumed they have travelled from their principal residence.

## REIMBURSEMENT OF EXPENSES

ISC reimburses directors for out-of-pocket expenses incurred while conducting the business of the Board or advancing the interests of ISC. Expenses must be reasonable and incurred in the fulfillment of their duties as a Board member.

## 2019 DIRECTOR COMPENSATION TABLE

The following table indicates the compensation earned by our current Board of Directors in 2019.

Name	Fees Earned <sup>1</sup>		Share-Based Compensation <sup>2</sup>	Total Compensation
	Cash Retainer	Travel Fees		
Karyn Brooks	\$42,774	\$4,000	\$33,000	\$79,774
Tom Christiansen	\$39,645	\$2,500	\$33,000	\$75,145
Doug Emsley	\$45,403	\$0	\$33,000	\$78,403
Tony Guglielmin	\$51,403	\$5,000	\$33,000	\$89,403
Scott Musgrave	\$42,774	\$4,000	\$33,000	\$79,774
Iraj Pourian	\$39,645	\$5,000	\$33,000	\$77,645
Laurie Powers	\$39,645	\$0	\$33,000	\$72,645
Heather Ross	\$39,645	\$4,000	\$33,000	\$76,645
Dion Tchorzewski	\$45,403	\$0	\$33,000	\$78,403
Joel Teal	\$58,145	\$3,500	\$60,000	\$121,645

<sup>1</sup> Fees earned include annual retainers, additional retainers for Committee members and Committee Chairs, and travel fees paid to directors in 2019.

<sup>2</sup> The equity component of director compensation is granted through DSUs, in accordance with the DSU Plan. Amounts presented in this table are equal to the grant date fair value, without regard to vesting and include DSUs awarded in 2019. DSUs granted as dividend equivalents on the underlying Class A Shares are not included. See below for further details on the award of DSUs in 2019.

On November 14, 2019, the Compensation Committee, under delegated authority by the Board, issued an aggregate of 22,351 DSUs, comprised of: (i) 3,757 DSUs to the Board Chair; and (ii) 2,066 DSUs to each of the other nine directors (all at an award price based on the closing price of the Class A Shares on the TSX on the trading day immediately prior to the issuance of the DSUs). These DSUs were for the approximate 12-month period between the 2019 and 2020 annual meetings of shareholders and vest 25 per cent every three months, being fully vested at the end of the one-year term.

## OUTSTANDING SHARE-BASED AND OPTION-BASED AWARDS

The following table shows all share-based awards held by directors as of December 31, 2019. None of the current directors have been granted option-based awards. We have combined information from two mandatory tables: *Incentive plan awards – value vested or earned during the year* and *Outstanding share-based and option-based awards*, into the table below.

Directors received a portion of their retainer in cash and equity. The table below refers to the equity portion (DSUs):

- *Market or payout value of share-based awards that have not vested* are all of the directors' DSUs that have not vested as of December 31, 2019, valued at \$15.36, the closing price of the Class A Shares on the TSX on December 31, 2019.
- *Value vested during the year* is the amount that directors received in DSUs in 2019, valued as of the applicable vesting dates. It includes all of the DSUs that were granted and vested in 2019, and DSUs granted as dividend equivalents in 2019 that have vested as of December 31, 2019. It also includes any DSUs or dividend equivalents that were awarded in 2018 but vested in 2019.
- *Market or payout value of vested share-based awards not paid or distributed* are all of the directors' DSUs which have vested as of December 31, 2019, (including DSUs granted as dividend equivalents) but they are not redeemable until the director leaves the Board. The DSUs were valued at \$15.36, the closing price of the Class A Shares on the TSX on December 31, 2019.

Name	Share-Based Awards			
	Number of Shares or Unit Awards That Have Not Vested (#) <sup>1</sup>	Market or Payout Value of Share-Based Awards That Have Not Vested (\$) <sup>1</sup>	Value Vested During the Year (\$)	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed (\$)
Karyn Brooks	516.50	7,933.44	34,717.16	103,933.44
Tom Christiansen	516.50	7,933.44	37,657.69	165,288.19
Doug Emsley	516.50	7,933.44	37,657.69	165,288.19
Tony Guglielmin	516.50	7,933.44	37,657.69	165,288.19
Scott Musgrave	516.50	7,933.44	37,657.69	165,288.19
Iraj Pourian	516.50	7,933.44	34,717.16	103,933.44
Laurie Powers	516.50	7,933.44	32,142.39	51,248.64
Heather Ross	516.50	7,933.44	32,142.39	51,248.64
Dion Tchorzewski	516.50	7,933.44	37,657.69	165,288.19
Joel Teal	939.25	14,426.88	68,466.15	286,289.97

<sup>1</sup> DSUs granted as dividend equivalents in 2019 that have not vested as of December 31, 2019, are included.

# Compensation Discussion and Analysis

## INTRODUCTION

The following discussion describes the significant elements of our 2019 Executive Compensation Program. ISC's named executive officers ("NEOs") (as defined in Form 51-102F6 – *Statement of Executive Compensation*) for the 2019 financial year are:

- **Jeff Stusek**, President and Chief Executive Officer;
- **Shawn B. Peters**, CPA, CA, Executive Vice-President and Chief Financial Officer;
- **Loren Cisyk**, Executive Vice-President, Technology Solutions;
- **Kathy Hillman-Weir, Q.C.**, Executive Vice-President, Chief Corporate Officer & General Counsel; and
- **Clare Colledge**, President, ESC Corporate Services Ltd.

## OVERVIEW

Our Board, based on recommendations made by ISC's Compensation Committee, has made decisions regarding forms of compensation (including salaries, annual bonuses and any equity-based incentive compensation plans of the Company) for our Executive Officers and has approved corporate goals and objectives relevant to the compensation of the CEO. Our Board solicits input from our CEO and the Compensation Committee regarding the performance of the Company's other Executive Officers. The Board oversees our Executive Compensation Plan with the assistance of the Compensation Committee.

## COMPENSATION GOVERNANCE

The Compensation Committee, which is composed entirely of independent directors, is responsible on an annual basis for: (i) recommending to the Board of Directors for approval of a compensation package for the directors; (ii) recommending to the Board of Directors for approval the CEO's total compensation based upon the Compensation Committee's evaluation of the CEO's performance and other factors that such Committee considers to be appropriate; and (iii) on the recommendation of the CEO, approving the other Executive Officers' total compensation. The specific responsibilities of the Compensation Committee are set out in the charter for the Compensation Committee, a copy of which is available on our website at [www.company.isc.ca](http://www.company.isc.ca) under "Corporate Governance".

In addition to the responsibilities described above, the Compensation Committee is also responsible for: (i) recommending for approval by the Board of Directors the position description for the CEO; (ii) recommending for approval by the Board of Directors the recruitment, appointment and, if necessary, the replacement of the CEO and monitoring the appointment of the other Executive Officers; (iii) evaluating the performance of the CEO; (iv) recommending for approval by the Board of Directors equity-based and incentive compensation for the CEO and other Executive Officers; and (v) recommending to the Board of Directors for approval the succession plan for the CEO and monitoring the succession plan for the other Executive Officers.

The Compensation Committee met nine times during 2019. The Chair of the Compensation Committee reports to the Board with respect to the matters that have come before the Compensation Committee.

The Compensation Committee has open access to information about the Company and to the Company's officers and employees that is needed or desirable in connection with fulfilling its responsibilities. The Compensation Committee has the authority to retain, at the Company's expense, independent compensation consultants or advisors to assist the Compensation Committee in fulfilling its responsibilities, including sole authority to retain and approve any such firm's fees and other retention terms.

## MEMBERS OF THE COMPENSATION COMMITTEE

The Compensation Committee is composed of three directors: Doug Emsley, Tom Christiansen and Laurie Powers, with Doug Emsley acting as the Chair of the Compensation Committee. In addition to each Compensation Committee member's general business background, senior management experience and involvement with other companies (see "Electing Our Directors – Profiles for Appointed Directors" and "Electing Our Directors – Director Nominees"), the members of the Committee have relevant experience which enables effective decision-making on compensation policies and practices.

- **Doug Emsley** is the President, Chief Executive Officer and Chairman of Input Capital Corp., which is traded on the TSX.V.; President of Emsley & Associates (2002) Inc.; Chairman and CEO of Security Resource Group Inc., Sabre West Oil & Gas Ltd. and Assiniboia Capital Corp. Mr. Emsley was a director of the Bank of Canada. Mr. Emsley has extensive experience designing, establishing and implementing director and executive compensation structures, including equity compensation, and also has experience working with compensation consultants.
- **Tom Christiansen** has 30 years of business experience as the owner and operator of Décor Complete Ltd., a retail flooring business. Mr. Christiansen is the former Chair of the Board of Directors of Information Services Corporation of Saskatchewan and has also served as Chair of ISC's previous Human Resources Committee. Through these roles, Mr. Christiansen has been actively involved in the advancement of ISC's compensation philosophy and framework since 2009. Mr. Christiansen has participated in education sessions on executive compensation, performance evaluation and succession planning, while successfully obtaining the Chartered Director designation (C.Dir.).
- **Laurie Powers** is the President and Chief Executive Officer of Canterra Capital Corp. Ms. Powers is a designated Certified Professional Accountant (CPA, CA, BComm) and was awarded her ICD.D designation by the Institute of Corporate Directors (2009). Ms. Powers served as the Chair of the Human Resources Committee and the Chair of the CEO Succession Committee of the Saskatchewan Roughrider Football Club, was a member of the Human Resources and Compensation Committee of the Board of Bioriginal Food & Science Corp., and was a member of the CEO Succession Committee of the Board of Peace Hills Insurance.

## COMPENSATION RISK

While the Board of Directors and the Compensation Committee have not put any formal policies in place, they do consider the implications of the risks associated with the Company's compensation policies and practices. The current structure of the Company's executive compensation arrangements, including the Executive Compensation Program (including incentive arrangements) for 2019, has been inherently designed not to encourage Executive Officers to expose the Company to inappropriate or excessive risks. The elements of the Company's executive compensation arrangements correlate to the long-term performance of the Company and are considered to be aligned with the Company's business strategy and the creation of shareholder value.

## SECURITIES TRADING POLICY

The Executive Officers and the directors are, under the terms of our Securities Trading and Insider Reporting Policy, not to buy, sell or enter into: (i) any short sale of securities of the Company unless he or she owns another convertible security that is exercised and converted into the security sold within ten days after the sale; or (ii) any puts, call options or other rights or obligations to buy or sell securities of the Company.

## COMPENSATION CONSULTANTS

Korn Ferry has been retained directly by the Compensation Committee since September 2013 as the independent compensation consultant to assist the Committee with respect to executive and director compensation programs, with the following services:

- advice and counsel on executive pay philosophy, principles, approach and framework;
- advice on the executive pay program, including, but not limited to, performance metrics, pay vehicles, program funding, pay structure, target pay level, etc.;
- advice on pay and award treatments for the Executive Officers;

- review and advice on director compensation program;
- review and analyze external compensation benchmarking data for executive and director compensation programs, including emerging practices and trends; and
- advice on compensation governance and regulatory/compliance issues.

The Compensation Committee has authority to select, retain and terminate the compensation consultant. The aggregate fees charged by Korn Ferry in 2019 and 2018 were as follows:

Compensation Consultant	Year	Executive Compensation Fees for Services Provided to the Compensation Committee	All Other Fees
Korn Ferry	2019	\$93,877	\$3,885 <sup>1</sup>
	2018	\$150,754	\$43,064 <sup>2</sup>

<sup>1</sup> Subscription to Korn Ferry's Custom Market Report database.

<sup>2</sup> Board of Director Consulting and Recruitment.

## DESIGN OF OUR 2019 COMPENSATION PROGRAM

Our compensation program is designed to retain, motivate and reward our Executive Officers for their performance and contribution to our success, through the short- and long-term horizon. We reward the achievement of corporate and individual performance objectives and have taken steps to further align the Executive Officers' incentives with shareholder value creation. The Board seeks to set corporate performance goals that reach across all business areas. The primary pillars of our Executive Compensation Program philosophy include:

- attract and motivate executives to effectively perform in a competitive environment;
- reward executives for their exceptional contribution to achieving organizational and individual objectives;
- set Company performance goals that reach across business units;
- retain exceptional talent and promote long-term career progression through pay differentiation, providing a challenging work environment and fostering a collaborative environment;
- recognize high performing executives through short-term and long-term incentive programs; and
- align executive and shareholder expectations through the provision of performance-based incentive plans designed to promote shareholder value creation.

## COMPARATOR GROUP (BENCHMARK COMPANIES)

### Approach for Executive Benchmarking

In late 2016, the Committee commissioned Korn Ferry to review ISC's compensation comparator group for the Company's Executive Officers. ISC is an information services firm that leverages technology for delivery. ISC provides core services within a regulated environment and other unregulated business streams. After a review of ISC's business and executive talent markets, Korn Ferry has identified various key comparator characteristics for selection purposes:

1. Industry: information technology emphasized, real estate related;
2. Geography: national executive talent market with a focus in Western Canada; and
3. Ownership: publicly traded.

In 2018, Korn Ferry conducted a review of pay comparator group and executive pay with the Compensation Committee, and the Board approved the following 23 companies listed on the TSX (or with parent organizations being public issuers) which met either the Industry or Geography or both criteria:

## PAY COMPARATOR GROUP

Absolute Software	IBI Group
Boralex	Innergex Renewable Energy
The Calian Group	Melcor Developments
Canadian Western Bank	Northview Apartment REIT
Computer Modelling Group	Potash Corp of Saskatchewan <sup>2</sup>
Descartes Systems Group	Pure Industrial REIT <sup>3</sup>
Empire Industries	Shore Gold <sup>4</sup>
Finning Canada	Solium Capital <sup>5</sup>
Fortis Alberta	TD Bank Group
Fortis BC	Teck Resources
Genesis Land Development	TMX Group
Great-West Life Assurance Company <sup>1</sup>	

<sup>1</sup> On January 1, 2020, The Great-West Life Assurance Company merged with London Life Insurance Company, The Canada Life Assurance Company and is now known as The Canada Life Assurance Company.

<sup>2</sup> On January 1, 2018, Potash Corp of Saskatchewan merged with Agrium and is now known as Nutrien.

<sup>3</sup> On May 24, 2018, Pure Industrial Real Estate Trust was delisted and was fully acquired by Blackstone Group Inc. and Cassie de Depot et Placement du Quebec.

<sup>4</sup> On February 12, 2018, Shore Gold changed its name to Star Diamond Corporation.

<sup>5</sup> On May 1, 2019, Solium Capital was acquired by Morgan Stanley and is now known as Shareworks by Morgan Stanley.

We recognize that the organization size of the above comparator companies varies substantially from ISC. To analyze the compensation levels fairly, ISC's Executive Officers are benchmarked against jobs of similar scope and responsibility, evaluated using Korn Ferry's proprietary methodology of job evaluation.

## MARKET POSITIONING

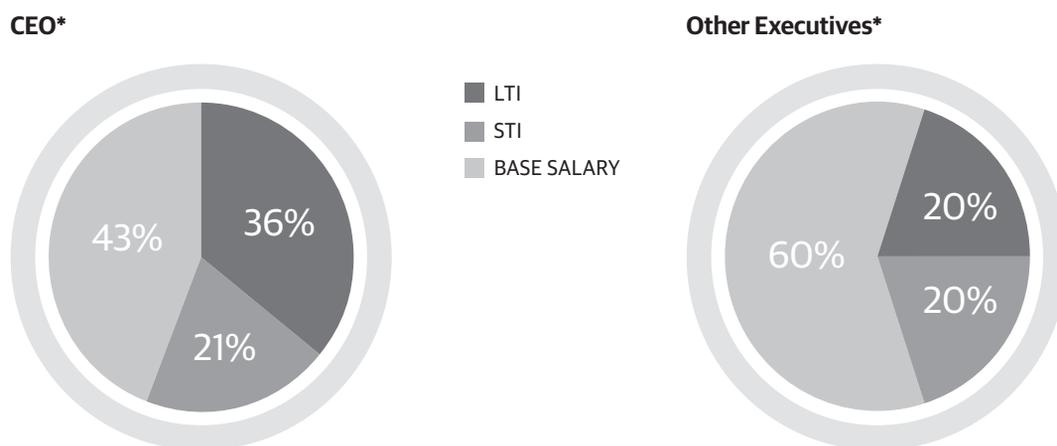
Our market positioning strategy is to set the total compensation (base salary + short-term incentive + long-term incentive + pension value) to reflect the median of the relevant comparator group, where appropriate.

## TARGET PAY MIX

Rewarding executives based on a combination of short- and long-term performance encourages short-term achievement of objectives and long-term value creation for shareholders. The long-term incentive ("LTI") component of compensation was awarded in the form of stock options pursuant to the Stock Option Plan between 2014 and 2018. Subsequently, in 2019, the Board approved a long-term incentive share unit plan under which ISC introduced share appreciation rights and performance share units as part of its LTI component of compensation in order to align with our overall compensation philosophy.

The 2019 target pay mix for the CEO is an approximate 43-57 split between fixed and variable at-risk compensation, with short-term incentive ("STI") and LTI forming a 32-68 proportion of variable pay, respectively.

The 2019 target pay mix for the other Executive Officers is an approximate 60-40 split between fixed and variable at-risk compensation, with STI and LTI forming an equal proportion of variable pay, respectively.



\* Represents an approximate split between the compensation elements

## ELEMENTS OF OUR EXECUTIVE COMPENSATION PROGRAM

Our Executive Compensation Program was defined based on maintaining a meaningful degree of competitiveness, to compete for talent, and to enable and recognize performance at the organizational and individual levels.

To achieve these objectives, our Executive Compensation Program primarily combines three elements: base salary, a cash-based short-term incentive payment and long-term incentive awards in the form of share appreciation rights, performance share units and/or stock options. NEOs are also entitled to receive pension benefits in accordance with corporate policies.

The following sections describe each compensation element which, together, define the 2019 Executive Compensation Program.

### Base Salary

A primary element of the Company's compensation program is base salary. Our view is that a competitive base salary is a necessary element for attracting and retaining qualified executives. Base salaries are determined based on the scope of an individual's responsibilities and prior experience, while taking into account compensation paid by other companies in our industry for similar positions and overall market demand for such executives. Base salaries for our NEOs are reviewed annually, and may be increased for merit reasons, based on the individual's success in meeting or exceeding corporate and individual objectives, as supported by market competitiveness. In addition, base salaries for our NEOs may be adjusted as warranted throughout the year to reflect promotions or other changes in scope or breadth of a NEO's role or responsibilities, as well as for market competitiveness.

Named Executive Officers	Annual Base Salary at January 1, 2020
<b>Jeff Stusek,</b> President and Chief Executive Officer, ISC	\$ 385,000
<b>Shawn B. Peters, CPA, CA,</b> Executive Vice-President and Chief Financial Officer, ISC	\$ 270,300
<b>Loren Cisyk,</b> Executive Vice-President, Technology Solutions, ISC	\$ 244,007
<b>Kathy Hillman-Weir, Q.C.,</b> Executive Vice-President, Chief Corporate Officer & General Counsel	\$ 236,900
<b>Clare Colledge,</b> President, ESC Corporate Services Ltd.	\$ 231,750

## 2019 Short-Term Incentive Plan

Our Executive Compensation Program includes eligibility for a cash-based annual incentive plan. Executive Officers participated in the 2019 Short-Term Incentive Plan (“STI Plan”). The 2019 STI Plan was designed to tie individual performance to achievement of corporate objectives.

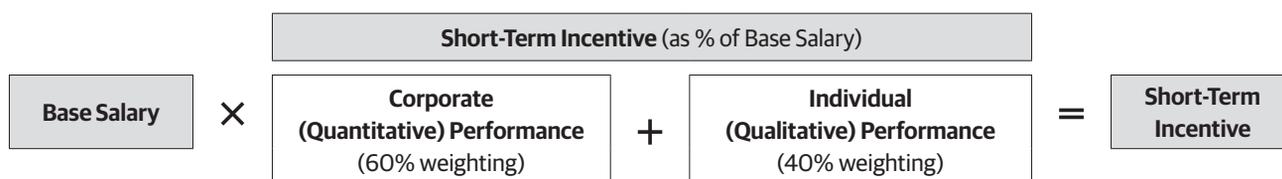
The STI Plan rewards Executive Officers based on their performance over the fiscal year and is evaluated based on two performance elements:

- i. a corporate performance component that comprises quantitative Company-wide metrics; and
- ii. an individual performance component that comprises qualitative metrics based on individual objectives aligned with ISC’s business strategy.

The STI award is set as a percentage of base salary, as applicable, for each Executive Officer. The Compensation Committee annually reviews the CEO’s performance and recommends to the Board for approval the CEO’s total compensation. The CEO annually reviews the other Executive Officers’ performance and provides a recommendation on total compensation to the Compensation Committee, which is then reported to the Board. The STI awards are paid annually in cash.

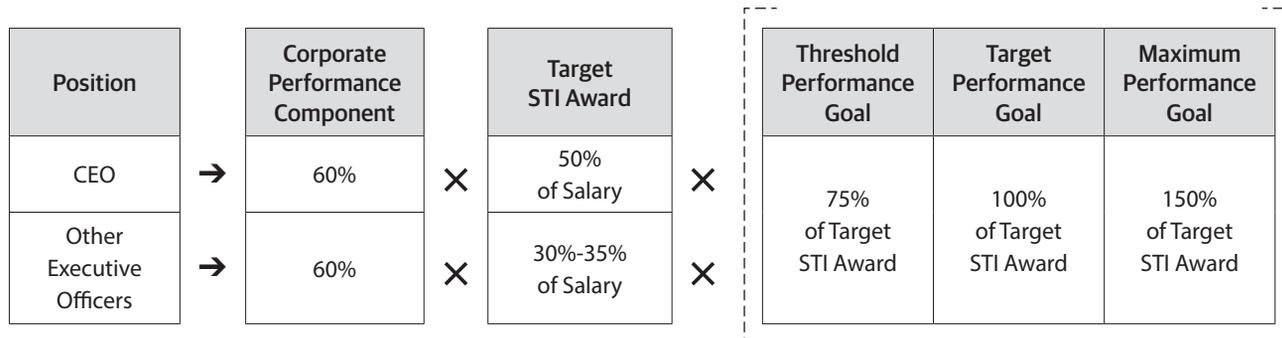
Target STI awards for 2019 were set at 50 per cent of base salary for the CEO and between 30 per cent and 35 per cent of base salary for other Executive Officers, varied based on their role and position in the organization. Target STI awards are reviewed and established annually by the Board on recommendation of the Compensation Committee.

STI award payouts are calculated based on predetermined quantitative and qualitative goals as follows:



### Corporate Performance (Quantitative, 60 per cent Performance Weighting)

STI awards for the corporate performance component, which accounts for 60 per cent of the total STI award, can range from zero to a maximum of 150 per cent of the target STI award for each Executive Officer, based on performance achieved against the predetermined quantitative performance goals during the year. The table below summarizes the STI award calculation methodology for the corporate performance component.



STI awards for each corporate performance measure are determined by linearly interpolating between the threshold performance goal and the stretch/maximum performance goal, based on the actual performance achieved for each quantitative measure. No STI is awarded for performance achieved below the threshold performance goal.

Corporate performance measures are approved and established annually at the beginning of the year by the Board on recommendation from the Compensation Committee, as outlined in the table below.

2019 Corporate (Quantitative) Performance Measures	Weight	Target Performance Goal (100% of Target Award)
Adjusted EBITDA Margin <sup>1</sup>	50.0%	27.1%
Free Cash Flow <sup>2</sup>	25.0%	\$26.3M
Earnings Per Share <sup>3</sup>	25.0%	\$1.01
<b>Total</b>	<b>100%</b>	

<sup>1</sup> EBITDA is defined as earnings before interest, taxes, depreciation and amortization expense. Adjusted EBITDA adjusts EBITDA for stock-based compensation expense or income, stock option expense, transactional gains or losses on assets, asset impairment charges, and acquisition and integration costs. These measures, in addition to net income and income from operations, measure business performance and cash flow generation because it removes cash flow fluctuations caused by the above adjustments. Furthermore, we use adjusted EBITDA for business planning purposes and to evaluate and price potential acquisitions. Adjusted EBITDA margin is calculated as a percentage of overall revenue.

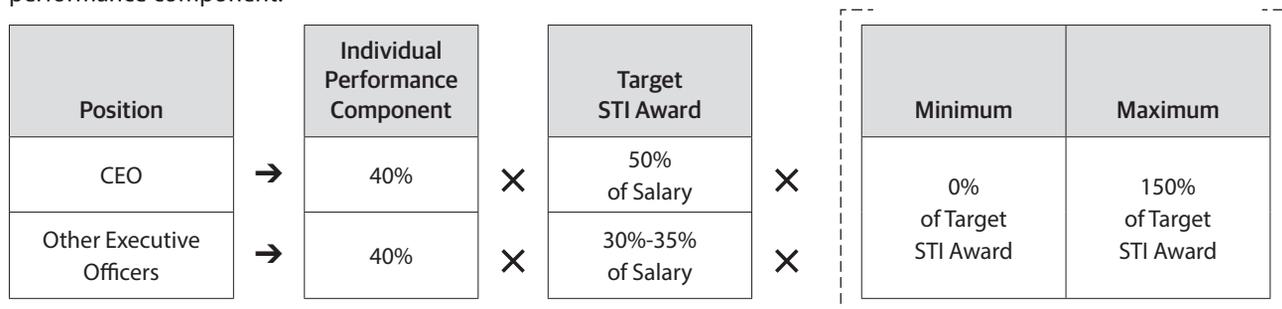
<sup>2</sup> Free cash flow is used as a financial measure in our evaluation of liquidity and financial strength. Adjusting for the swings in non-cash working capital items due to seasonality or other timing issues and cash additions to property, plant and equipment and intangible assets, free cash flow assists in the long-term assessment of liquidity and financial strength. This measurement is useful as an indicator of our ability to service our debt, meet other payment obligations and make strategic investments.

<sup>3</sup> The calculation of earnings per share is based on net income after tax and the weighted average number of shares outstanding during the period and is intended to serve as an indicator of our profitability.

### Individual Performance (Qualitative, 40 per cent Performance Weighting)

In order to recognize and reward personal accomplishments, 40 per cent of each Executive Officer's STI award is based on achieving qualitative performance goals, as measured using ISC's strategic priorities, corporate goals and business results as guidelines.

STI awards for the individual performance component, which accounts for 40 per cent of the total STI award and can range from zero to a maximum of 150 per cent of the target STI award for each Executive Officer, based on individual achievement of qualitative goals. The table below summarizes the STI award calculation methodology for the qualitative performance component.



For 2019, qualitative metrics for the Executive Officers were evaluated in accordance with ISC's core goal to deliver value to shareholders through the consistent performance of its existing business and the execution of appropriate growth opportunities. ISC's strategy is executed through effective operations, reasonable growth and acquisitions, with strategic priorities supporting the goals and success in these areas.

The accomplishment of individual qualitative metrics for the CEO is based upon the discretion of the Compensation Committee and the Board in relation to areas of achievement identified by the Compensation Committee and the Board on an annual basis. The accomplishment of individual qualitative metrics for the other Executive Officers is based upon the CEO assessment and reviewed by the Compensation Committee and the Board.

### Board and Compensation Committee Discretion

The Board, on the recommendation of the Compensation Committee, has the discretion to award STIs absent the achievement of quantitative performance measures, if it deems appropriate, to ensure that payout outcomes match the actual performance outcomes over which management exercises control. Specifically, the Board and the Compensation Committee have the discretion to evaluate qualitative individual performance achievements independently of quantitative performance achieved during the year. For 2019, no discretionary adjustments were made.

## 2019 Short-Term Incentive Plan Awards

Executive Officers are eligible for annual cash incentive compensation based upon the attainment of pre-established corporate and individual performance goals. This is based on successful achievement of individual objectives aligned with the corporate strategy and are comprised of qualitative metrics. Consideration of the qualitative performance in addition to the corporate results provides total STI payout.

Overall corporate performance in 2019 was assessed at 138.38 per cent of target STI, which represents the weighted average of the performance achieved for each quantitative performance measure, to a maximum performance yielding 150 per cent of target. The corporate performance component accounts for 60 per cent of the total STI awarded for each Executive Officer.

2019 Corporate (Quantitative) Performance Measures	Target Performance Goal	2019 Year End Corporate Results	2019 STI (Corporate) Payment % For Each Measure
Adjusted EBITDA Margin	27.1%	30.1%	75.00%
Free Cash Flow	\$26.3M	\$30.0M	34.07%
Earnings Per Share	\$1.01	\$1.11	29.31%
<b>Overall Corporate Performance</b>			<b>138.38%</b>

The individual performance component accounts for 40 per cent of each Executive Officer's STI award and is assessed based on individual achievement of qualitative goals by each Executive Officer.

Based on corporate performance against targets and effective individual performance and leadership, the Board, on the recommendation of the Compensation Committee, approved an overall annual STI award of \$256,079 for Jeff Stusek, President and CEO; \$122,297 for Shawn B. Peters, Executive Vice-President and CFO; \$102,009 for Loren Cisyk, Executive Vice-President, Technology Solutions; \$99,038 for Kathy Hillman-Weir, Q.C., Executive Vice-President, Chief Corporate Officer & General Counsel; and \$96,885 for Clare Colledge, President, ESC Corporate Services Ltd.

## Long-Term Incentive

ISC's Executive Compensation Program has been designed to align the interests of management and its shareholders, recognize and reward the impact of long-term strategic actions undertaken by management, ensure that management focuses on developing and implementing the continuing growth strategy of the Company and promote the retention of key management personnel.

ISC introduced long-term incentive plan awards in the form of stock options into the executive compensation framework in 2014. Subsequently, in 2019, the Board approved a long-term incentive share unit plan (the "LTI Plan") consisting of share appreciation rights ("SARs") and performance share units ("PSUs") as part of its long-term incentive plan awards.

Under the Executive Compensation Program, Executive Officers may be awarded SARs, PSUs and/or stock options for the long-term incentive portion of their compensation. Both the SARs and PSUs entitle the participants to receive a cash payment at a future time, reflecting any increase in the market value of the Class A Shares (in the case of SARs) or reflecting the value of an equivalent number of Class A Shares provided in the case of PSUs that certain performance criteria have been met. Stock options entitle the participants to purchase a set number of Class A Shares at a specified price for a fixed period of time.

The number of LTI awards granted under the Executive Compensation Program is calculated based on each Executive Officer's annual salary, target LTI percentage and SAR/PSU/stock option weightings and the average closing price of the Class A Shares on the TSX, for the five trading days prior to the grant date.

For 2019, the CEO's LTI is awarded based on 85 per cent of his annual base salary and, for the other Executive Officers, LTI awards are based on 35 per cent of the annual base salary.

## **Share Appreciation Rights**

SARs are granted with the objective of recognizing and rewarding Executive Officers for creating sustainable, long-term shareholder value, as well as retention.

A SAR is a right granted by the Company to a participant to receive a payment in cash equal to any price appreciation in the Class A Shares in excess of the SAR price at the grant date, during a specified period. The SAR price is the average closing price of the Class A Shares on the TSX, for the five trading days prior to the grant date.

Any employee of the Company or any subsidiary of the Company is eligible to receive a SAR grant under the terms of the LTI Plan. The Compensation Committee makes recommendations to the Board as to the grant of SARs.

The Board has determined that SARs will be valued using the Black-Scholes option valuation formula applied to the Class A Shares.

The Board in its sole discretion determines the relevant vesting provisions and such other conditions and limitations applicable to any grant of SARs. Unless otherwise specified by the Board on the grant date, and subject to the LTI Plan, 25 per cent of each SAR award will vest and become exercisable on the first, second, third and fourth anniversary dates of the grant and expire on the eighth anniversary of the grant date.

## **Performance Share Units**

PSUs are granted with the objective of recognizing and rewarding Executive Officers for performance and retention, notably rewarding the impact of medium to long-term strategic actions undertaken by management creating sustainable shareholder value and return on investment.

A PSU is a notional unit equivalent to a Class A Share granted by the Company to the participant entitling such participant to receive the PSU payment value, which is conditional on the attainment of specific predetermined PSU performance criteria.

The PSU payment value is calculated as the last daily closing price of the Company's Class A Shares on the TSX at the PSU vesting date multiplied by the number of vested PSUs and as such number is adjusted in respect of any dividend equivalents and the applicable PSU performance payout multiplier.

The applicable PSU performance payout multiplier, which functions such that the participant may be entitled to receive more than or less than the original number of PSUs awarded, is dependent on the PSU performance criteria being achieved and is specified in each grant agreement.

The Board determines the appropriate PSU performance criteria, measurement criteria and applicable targets at the time of grant.

Any employee of the Company or any subsidiary of the Company is eligible to receive a PSU grant under the terms of the LTI Plan. The Compensation Committee makes recommendations to the Board as to the grant of PSUs.

The PSU performance period is set by the Board at the time of grant and is the time period in which any PSU performance criteria must be met as a condition to payment of the PSU payment value. Pursuant to the LTI Plan, the PSU performance period will be set out in the applicable grant agreement but will not exceed three fiscal years including the year in which the PSU award was made. PSUs granted in any particular year will vest at the end of the applicable PSU performance period.

## **Stock Options**

Similar to SARs, stock options are granted with the objective of recognizing and rewarding Executive Officers for creating sustainable, long-term shareholder value.

Stock options entitle the participants to purchase a set number of Class A Shares at a specified price for a fixed period of time.

Full details of the Stock Option Plan are set out under the heading "Stock Option Plan" starting on page 48.

## **Other Long-Term Incentives**

Stock options were granted annually between 2014 and 2018. Starting in 2019, SARs and PSUs were granted as part of the Executive Compensation Program. In 2019, no stock options were issued. Except as described above, ISC does not have any other types of LTI programs.

### ***2019 Long-Term Incentive Plan Awards***

On November 18, 2019, long-term incentives in the form of SARs and PSUs were issued to:

- (i) Jeff Stusek, President and CEO, for 116,456 SARs and 10,157 PSUs, based on 85 per cent of his 2019 base salary;
- (ii) Shawn B. Peters, Executive Vice-President and CFO, for 20,962 SARs and 3,712 PSUs, based on 35 per cent of his 2019 base salary;
- (iii) Loren Cisyk, Executive Vice-President, Technology Solutions, for 19,474 SARs and 3,448 PSUs, based on 35 per cent of his 2019 base salary;
- (iv) Kathy Hillman-Weir, Q.C., Executive Vice-President, Chief Corporate Officer & General Counsel for 18,907 SARs and 3,348 PSUs, based on 35 per cent of her 2019 base salary; and
- (v) Clare Colledge, President, ESC Corporate Services Ltd. for 21,536 SARs and 3,813 PSUs, based on 35 per cent of her 2019 and 2018 base salary.

All of the above SAR and PSU awards were issued at the discretion of the Board, in accordance with the Executive Compensation Program and the LTI valuation formulas based on each Executive Officer's LTI target percentage, SAR/PSU weighting and price.

For each of the SAR and PSU awards, the price was \$16.11, being the average closing price of the Class A Shares on the TSX for the five trading days prior to the grant date.

The 2019 SAR awards were granted using the Black-Scholes option valuation formula, will vest at a rate of 25 per cent on each of the first, second, third and fourth anniversary dates of the grant and expire on November 18, 2027.

The 2019 PSU awards have a performance period of January 1, 2019, to December 31, 2021, and a vesting date of December 31, 2021. The Company's three-year average return on invested capital ("ROIC") has been selected by the Board as the PSU performance criteria for the PSUs awarded in 2019. For this purpose, ROIC will be calculated as the net income before tax divided by total capital, and the total capital is the sum of shareholders' equity plus short-term debt plus long-term debt plus any right-of-use lease liability in accordance with the International Financial Reporting Standards 16 – Leases and may, in certain instances, be adjusted for certain items as determined by the Board.

The Board is of the view that ROIC is the appropriate performance criteria as ROIC measures the Company's efficiency at allocating the capital under its control and gives a sense of how well a company is using its money to generate returns.

In establishing the ROIC targets, the Board considered historic performance, capital structure and future earnings potential, as well as other economic and business factors. The Board believes that the ROIC targets effectively challenge the executive officers to pursue profitable investments.

With respect to the PSUs awarded in 2019, the PSU payout multiplier can range from 0 per cent to 150 per cent based on the level of achievement relative to the established ROIC targets.

The Company does not provide ROIC guidance and will not be disclosing the ROIC targets. Disclosure of the ROIC targets would reveal sensitive information, including information relating to forecasted earnings and capital structure extending beyond a fiscal year. As such, the Company is relying upon the seriously prejudicial exemption available under securities regulations and not disclosing these targets.

### ***Other Benefits***

Each Named Executive Officer is entitled to other benefits in accordance with plans available to the Company's Named Executive Officers, including vacation, car allowance and insurance benefits.

**Defined Contribution Pension Plan**

The Company has a defined contribution pension plan (the "Pension Plan") for all of our Named Executive Officers.

The plan for ISC's Executive Officers is governed by the Public Employees Pension Board. The plan for Clare Colledge, President, ESC Corporate Services Ltd., is governed by Sun Life Financial which also oversees the administration of that plan. Contributions purchase units in one of several asset allocation funds. Upon retirement, a Named Executive Officer is eligible to convert his or her account balance to retirement income. Retirement income options include a transfer to purchase annuity, variable pension benefit, or prescribed registered retirement income fund, or a combination of any of the foregoing. The following table indicates the compensatory amounts paid by ISC in 2019, and the resulting accumulated value of the employer contributions to the Pension Plan for each NEO at the end of 2019:

Name	Accumulated Value at January 1, 2019 (\$)	Compensatory (\$)	Accumulated Value at December 31, 2019
<b>Jeff Stusek</b> , President and Chief Executive Officer	\$120,043	\$24,560	\$144,603 <sup>1</sup>
<b>Shawn B. Peters, CPA, CA</b> , Executive Vice-President and Chief Financial Officer	\$116,364	\$22,959	\$139,323 <sup>1</sup>
<b>Loren Cisyk</b> , Executive Vice-President, Technology Solutions	\$27,478	\$22,959	\$50,437 <sup>2</sup>
<b>Kathy Hillman-Weir, Q.C.</b> , Executive Vice-President, Chief Corporate Officer & General Counsel	\$115,717	\$22,959	\$138,676 <sup>1</sup>
<b>Clare Colledge</b> , President, ESC Corporate Services Ltd.	\$26,805	\$22,959	\$49,764

<sup>1</sup> Represents aggregate ISC contributions since July 9, 2013.

<sup>2</sup> Represents aggregate ISC contributions since October 10, 2017.

## SUMMARY COMPENSATION TABLE

The table below shows the total compensation paid or awarded to each NEO in 2019, 2018 and 2017.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$) <sup>1</sup>	Option-Based Awards (\$) <sup>2</sup>	Non-Equity Incentive Plan Compensation		Pension Value (\$) <sup>3</sup>	All Other Compensation (\$) <sup>4</sup>	Total Compensation (\$)
					Annual Incentive Plan (\$)	Long-term Incentive Plan (\$)			
Jeff Stusek President and Chief Executive Officer	2019	\$384,193	\$163,625	\$163,625	\$256,079	n/a	\$24,560	n/a	\$992,082
	2018	\$350,000	n/a	\$297,500	\$204,985	n/a	\$23,902	n/a	\$876,387
	2017	\$350,000	n/a	\$297,500	\$171,758	n/a	\$23,658	n/a	\$842,916
Shawn B. Peters, CPA, CA Executive Vice-President and Chief Financial Officer	2019	\$254,866	\$59,798	\$29,453	\$122,297	n/a	\$22,959	n/a	\$489,373
	2018	\$242,861	n/a	\$82,688	\$97,972	n/a	\$22,343	n/a	\$445,864
	2017	\$236,250	n/a	\$82,688	\$101,445	n/a	\$22,115	n/a	\$442,498
Loren Cisyk, <sup>5</sup> Executive Vice-President, Technology Solutions	2019	\$236,714	\$55,553	\$27,362	\$102,009	n/a	\$22,959	n/a	\$444,597
	2018	\$230,000	n/a	\$98,585 <sup>6</sup>	\$91,073	n/a	\$22,343	n/a	\$442,001
	2017	\$47,769	n/a	n/a	\$20,627	n/a	\$5,135	n/a	\$73,531
Kathy Hillman-Weir, Q.C., Executive Vice-President, Chief Corporate Officer & General Counsel	2019	\$230,000	\$53,935	\$26,565	\$99,038	n/a	\$22,959	n/a	\$432,497
	2018	\$219,616	n/a	\$73,500	\$87,113	n/a	\$22,343	n/a	\$402,572
	2017	\$210,000	n/a	\$73,500	\$90,173	n/a	\$22,115	n/a	\$395,788
Clare Colledge, <sup>7</sup> President, ESC Corporate Services Ltd.	2019	\$225,000	\$61,436 <sup>8</sup>	\$30,260 <sup>9</sup>	\$96,885	n/a	\$22,959	n/a	\$436,540
	2018	\$200,058	n/a	n/a	\$63,000	n/a	\$11,844	n/a	\$274,902
	2017	\$190,000	n/a	n/a	\$38,000	n/a	\$8,212	n/a	\$236,212

<sup>1</sup> Share-based awards represent the portion of total compensation that was granted in the form of PSUs for 2019 and have a performance period of January 1, 2019, to December 31, 2021, and a vesting date of December 31, 2021.

<sup>2</sup> Option-based awards represent the portion of total compensation that was granted in the form of SARs for 2019 and stock options for 2018 and 2017. Option-based awards are valued at the date of the grant using the Black-Scholes option pricing model which was chosen by ISC because it is one of the most common and widely accepted valuation methodologies. The value is determined by Korn Ferry each year. These values are meant to reflect the value to be awarded as compensation rather than the potential accounting expense. The assumptions used in the Black-Scholes option pricing model, for the purpose of calculating the intended compensation value of the November 18, 2019, grant, were: (i) a dividend yield of 4.67 per cent; (ii) a risk-free interest rate of 1.60 per cent; (iii) volatility of 19.05 per cent; (iv) a vesting condition of one-fourth on the first, second, third and fourth anniversary dates of the grant; and (v) an eight-year term.

<sup>3</sup> The figures shown represent employer contributions pursuant to the Defined Contribution Pension Plan for the year ended December 31, 2019. See "Compensation Discussion and Analysis - Defined Contribution Pension Plan" for more details.

<sup>4</sup> None of the NEOs are entitled to perquisites or other personal benefits that are not generally available to all salaried employees, which, in the aggregate, are worth over \$50,000 or over 10 per cent of their base salary.

<sup>5</sup> Mr. Cisyk was first employed by ISC on October 11, 2017, and met the definition of NEO for the 2018 financial year.

<sup>6</sup> Stock options granted to Mr. Cisyk in 2018 included long-term incentive plan compensation for both 2018 (46,637 stock options) and 2017 (10,477 stock options).

<sup>7</sup> Ms. Colledge was first employed with ESC Corporate Services Ltd. on March 28, 2016. On November 1, 2018, Ms. Colledge was appointed to President, ESC Corporate Services Ltd. and met the definition of NEO for the 2019 financial year.

<sup>8</sup> PSUs granted to Ms. Colledge in 2019 included long-term incentive plan compensation for both 2019 (3,275 PSUs) and 2018 (538 PSUs).

<sup>9</sup> SARs granted to Ms. Colledge in 2019 included long-term incentive plan compensation for both 2019 (18,496 SARs) and 2018 (3,040 SARs).

## INCENTIVE PLAN AWARDS

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

The table below shows all option-based and share-based awards outstanding at December 31, 2019.

Named Executive Officers	Year	Option-Based Awards <sup>1</sup>				Share-Based Awards <sup>2</sup>		
		Number of Securities Underlying Unexercised Options (#)	Option Exercise Price <sup>3</sup>	Option Expiration Date	Value of Unexercised In-The-Money Options (\$) <sup>4</sup>	Number of Share or Units of Shares That Have Not Vested	Market or Payout Value of Share-Based Awards That Have Not Vested (\$)	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed (\$)
Jeff Stusek President and Chief Executive Officer	2019	116,456	\$16.11	November 18, 2027	\$35,791	10,157	\$16.11	nil
	2018	172,354	\$17.85	May 16, 2026		n/a	n/a	n/a
	2017	179,551	\$18.85	May 17, 2025		n/a	n/a	n/a
	2016	129,533	\$17.40	August 15, 2024		n/a	n/a	n/a
	2015	111,848	\$15.04	August 12, 2023		n/a	n/a	n/a
	2014	54,799	\$18.80	May 13, 2022		n/a	n/a	n/a
Shawn B. Peters, CPA, CA Executive Vice-President and Chief Financial Officer	2019	20,962	\$16.11	November 18, 2027	\$33,726	3,712	\$16.11	nil
	2018	47,904	\$17.85	May 16, 2026		n/a	n/a	n/a
	2017	49,915	\$18.85	May 17, 2025		n/a	n/a	n/a
	2016	61,204	\$17.40	August 15, 2024		n/a	n/a	n/a
	2015	105,395	\$15.04	August 12, 2023		n/a	n/a	n/a
Loren Cisyk, Executive Vice-President, Technology Solutions	2019	19,474	\$16.11	November 18, 2027	nil	3,448	\$16.11	nil
	2018	57,114 <sup>5</sup>	\$17.85	May 16, 2026		n/a	n/a	n/a
Kathy Hillman-Weir, Q.C., Executive Vice-President, Chief Corporate Officer & General Counsel	2019	18,907	\$16.11	November 18, 2027	\$30,193	3,348	\$16.11	nil
	2018	42,582	\$17.85	May 16, 2026		n/a	n/a	n/a
	2017	44,360	\$18.85	May 17, 2025		n/a	n/a	n/a
	2016	54,404	\$17.40	August 15, 2024		n/a	n/a	n/a
	2015	94,354	\$15.04	August 12, 2023		n/a	n/a	n/a
Clare Colledge, President, ESC Corporate Services Ltd.	2019	21,536 <sup>6</sup>	\$16.11	November 18, 2027	nil	3,813 <sup>7</sup>	\$16.11	nil

<sup>1</sup> Option-based awards represent the portion of total compensation that was granted in the form of SARs for 2019 and stock options for 2014 to 2018. Option-based awards vest in four approximately equal instalments beginning on the first anniversary of the grant date.

<sup>2</sup> Share-based awards represent the portion of total compensation that was granted in the form of PSUs.

<sup>3</sup> The SAR price for 2019 was determined based upon the average closing price of the Class A Shares on the TSX for the five trading days prior to the grant date. For 2018 and 2017, the option exercise price was based upon the closing price of the Class A Share on the TSX the day immediately preceding the grant of options.

<sup>4</sup> The aggregate dollar amount of in-the-money value of outstanding but unexercised options as at December 31, 2019, is calculated by multiplying the difference between the closing price of the Class A Shares on market close at December 31, 2019, (\$15.36) and the applicable option exercise price.

<sup>5</sup> Stock options granted to Mr. Cisyk in 2018 included long-term incentive plan compensation for both 2018 (46,637 stock options) and 2017 (10,477 stock options).

<sup>6</sup> PSUs granted to Ms. Colledge in 2019 included long-term incentive plan compensation for both 2019 (3,275 PSUs) and 2018 (538 PSUs).

<sup>7</sup> SARs granted to Ms. Colledge in 2019 included long-term incentive plan compensation for both 2019 (18,496 SARs) and 2018 (3,040 SARs).

## Value Vested or Earned During the Year

The table below shows the value vested or earned on all option-based and share-based awards and non-equity incentive plan compensation for each NEO during the year ended December 31, 2019.

Named Executive Officers	Option-Based Awards - Value Vested During the Year (\$) <sup>1</sup>	Share-Based Awards - Value Vested During the Year (\$) <sup>2</sup>	Non-Equity Incentive Plan Compensation - Value Earned During the Year (\$) <sup>3</sup>
<b>Jeff Stusek,</b> President and Chief Executive Officer	\$8,948	nil	\$256,079
<b>Shawn B. Peters, CPA, CA</b> Executive Vice-President and Chief Financial Officer	\$8,432	nil	\$122,297
<b>Loren Cisyk,</b> Executive Vice-President, Technology Solutions	nil <sup>4</sup>	nil	\$102,009
<b>Kathy Hillman-Weir, Q.C.,</b> Executive Vice-President, Chief Corporate Officer & General Counsel	\$7,548	nil	\$99,038
<b>Clare Colledge,</b> President, ESC Corporate Services Ltd.	n/a	nil	\$96,885

<sup>1</sup> Option-based awards represent the portion of total compensation that was granted in the form of SARs in 2019 and stock options for 2014 to 2018. Option-based awards vest in four approximately equal instalments beginning on the first anniversary of the grant date.

<sup>2</sup> Share-based awards represent the portion of total compensation that was granted in the form of PSUs in 2019. No PSUs vested in 2019.

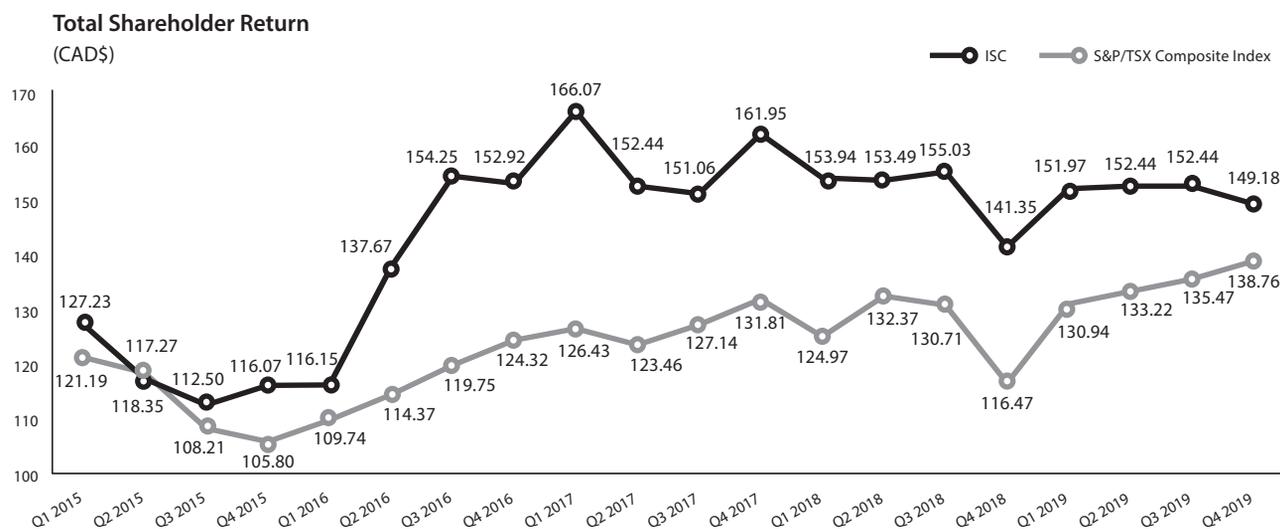
<sup>3</sup> The value of non-equity incentive plan awards earned in the year represents the short-term incentive earned for 2019 performance.

<sup>4</sup> Mr. Cisyk did not have any option-based awards vest in 2019.

## SHARE PERFORMANCE AND EXECUTIVE COMPENSATION

The graph below shows our total shareholder return from January 1, 2015, to December 31, 2019, assuming \$100 was invested in Class A Shares on July 9, 2013, and dividends were reinvested over the period. It compares our total shareholder return during this time period to the S&P/TSX Composite Index.

The trading price of the Class A Shares on the TSX is subject to fluctuation based on a number of factors, many of which are outside the control of the Company. There is currently limited historical data to fully correlate executive compensation to shareholder return. Over its short trading history, ISC has been transitioning to the current Executive Compensation Program. It is structured to limit the fixed cost component of compensation, while enhancing potential overall compensation through incentive-based plans tied to corporate performance. Long-term incentive compensation in the form of stock options was designed with the intention to reward executives for shareholder value creation while simultaneously supporting business goals such as return on investment and Company growth and development.



## Employment Agreements, Termination and Change of Control Benefits

Except as described below, ISC has not entered into any contract, agreement, plan or arrangement that provides for payments to a NEO at, following, or in connection with, any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of ISC or a change in a NEO's responsibilities.

### **PRESIDENT AND CHIEF EXECUTIVE OFFICER, JEFF STUSEK**

The Company has an employment agreement with our CEO, Jeff Stusek, effective from January 1, 2014, that describes termination benefits. In the event of voluntary termination, termination for cause and involuntary termination, the following will apply:

#### **Voluntary Termination**

In the event of voluntary termination, no severance is paid, and remuneration of Jeff Stusek will remain unchanged during the resignation period. In the event that Jeff Stusek elects to resign during the year, his entitlement to a bonus under the STI Plan will be determined at the date last actively worked and, if awarded, will be paid on a pro-rated basis to the date last actively worked. However, Jeff Stusek is required to provide ISC with three months' notice prior to resigning. Under the terms of the Stock Option Plan, options will continue to vest and may be exercised by Jeff Stusek until the earlier of the expiry date of such options or 90 days from the date of termination. Under the terms of the LTI Plan: (a) all of his rights, title and interest in SARs and PSUs that are unvested on the date last actively worked will terminate; (b) each SAR that is vested on the date last actively worked may be exercised until the earlier of (i) the thirty (30) days following such termination date and (ii) the SAR expiration date, after which time all remaining vested SARs will expire; and (c) any PSU which had vested on the date last actively worked and had not yet been settled, shall be terminated and forfeited.

#### **Termination for Cause**

If our CEO's employment is terminated by the Company for just cause, no severance will be paid, and any outstanding base salary and benefits will be paid through to the date of termination only. Jeff Stusek's entitlement to a bonus, if any, under the STI Plan will be determined as of the date last worked and, if awarded, will be paid on a pro-rated basis to the date last worked. Under the terms of the Stock Option Plan, all options held by Jeff Stusek that have not been exercised prior to the termination date shall lapse and become null and void immediately upon termination. Under the terms of the LTI Plan, any SARs and PSUs granted to him, whether vested or unvested on the termination date, shall terminate and be forfeited.

## Involuntary Termination

In the event of involuntary termination of our CEO, the Company will provide eight months' written notice, plus one additional month per each completed year of service calculated from January 1, 2014, (to a maximum of 18 months) or payment(s) in lieu of notice (or a combination thereof) as decided by the Company. Any payment of base salary made in lieu of such notice period shall include an additional 14 per cent thereof for the loss of other benefits and pension contributions. Jeff Stusek's entitlement to a bonus, if any, under the STI Plan will be determined as of the date last worked and, if awarded, will be paid on a pro-rated basis to the date last worked. Under the terms of the Stock Option Plan, options will continue to vest and may be exercised by Jeff Stusek until the earlier of the expiry date of such options or 90 days from the date of termination. Under the terms of the LTI Plan: (a) he may exercise any SARs to the extent such SARs had vested on the date last actively worked no later than ninety (90) days after such termination date and any unvested SARs will immediately expire and terminate on the date last actively worked; and (b) a portion of unvested PSUs granted to the CEO will immediately vest on the date last actively worked and be settled pro-rated based on (i) service from the grant date, and (ii) the performance achieved up to the date last actively worked, as determined by the final and sole discretion of the Board in respect of PSUs.

The following table sets out the estimated incremental amount that would be payable to Jeff Stusek pursuant to his employment agreement in the event that he was terminated without cause on December 31, 2019.

Name and Principal Position	Severance (\$)
Jeff Stusek, President and Chief Executive Officer	\$731,500 <sup>1</sup>

<sup>1</sup> Amount represents payment based on Jeff Stusek's base salary, a 14 per cent allocation for pension and benefits and variable STI pay, if any, based on 2019 target amount at 50 per cent of base salary. The table assumes a December 31, 2019, termination.

## CHANGE OF CONTROL

In the event of change of control of ISC while the LTI Plan is in place, and a participant's employment is terminated without cause (or resigns for good reason in accordance with the LTI Plan), within a two-year period following a change of control of the Company:

- all unvested SARs will vest; and
- a portion of unvested PSUs granted will immediately vest on the termination date and be settled (pro-rated based on service from the grant date, and the performance achieved up to the termination date, as determined by the final and sole discretion of the Board).

Under the terms of the Stock Option Plan, if the employment of Jeff Stusek or any Executive Officer is terminated, other than for cause, at any time in the six months following a change of control of the Company (as defined in the Stock Option Plan), all options granted to the Optionee (as defined in the Stock Option Plan) shall immediately vest on the termination date. The options may be exercised until the earlier of the expiry date of the options, or 90 days from the termination date.

## Securities Authorized for Issuance Under Equity Compensation Plans

The table below provides details about the securities authorized for issuance under our equity compensation plans as at December 31, 2019. There are currently no equity compensation plans not approved by shareholders.

Plan Category	Plan Name	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by security holders	Stock Option Plan	1,548,247	\$17.27	201,753

# Stock Option Plan

The Stock Option Plan is intended to provide an incentive to Eligible Persons (as defined herein), encourage share ownership by them, align their interests with shareholders and to enhance the Company's ability to attract, retain and motivate key personnel and reward significant performance achievements.

## OPTIONS OUTSTANDING

As of December 31, 2019, there were 1,548,247 options outstanding under the Stock Option Plan, representing approximately 8.8 per cent of the outstanding Class A Shares, leaving 201,753 options that could be issued under the Stock Option Plan, representing approximately 1.2 per cent of the outstanding Class A Shares. See "2019 Long-Term Incentive Plan Awards" starting on page 41 for details on option awards in 2019.

## BURN RATE

The table below shows the burn rate for 2019, 2018 and 2017, computed as the number of stock options granted in the year divided by the weighted average number of Class A Shares outstanding for each year:

	2019	2018	2017
Number of Stock Options Granted	n/a	471,647	317,341
Annual Burn Rate	n/a	2.7%	1.8%

## KEY TERMS

The following are the key terms and conditions of the Stock Option Plan. The full text of the Stock Option Plan is attached to this Circular as Appendix A. The summary set forth below is subject to and qualified in its entirety by the Stock Option Plan. Terms used but not defined herein have the meaning attributed to those terms in the Stock Option Plan.

### Maximum Number of Class A Shares Issuable

The maximum number of Class A Shares issuable under the Stock Option Plan may not exceed ten per cent of the total number issued and outstanding Class A Shares. As a result, should the Company issue additional Class A Shares in the future, the number of Class A Shares issuable under the Stock Option Plan will increase accordingly.

### Eligibility

Eligible recipients are any employee or director of the Company or any subsidiary of the Company ("Eligible Persons").

### Issuance Limits

The total number of Class A Shares issuable to any one person under the Stock Option Plan in any one year cannot exceed 5 per cent of the issued and outstanding Class A Shares on a non-diluted basis on the grant date of the options.

The number of Class A Shares issuable to insiders in aggregate, pursuant to the Stock Option Plan and any other security-based compensation arrangement, cannot exceed 10 per cent of the issued and outstanding Class A Shares. The number of Class A Shares issued to insiders within any one-year period cannot exceed 10 per cent of the issued and outstanding Class A Shares at the end of such period.

In any calendar year, any Option grants, together with any grants of units, Class A Shares or options under other security-based compensation arrangements to a non-employee director, shall not exceed, in aggregate, a grant date fair value (number of options, Class A Shares and units granted multiplied by the market value of a Class A Share on the date of the grant) of \$150,000 or such lower limit as the Board may set from time to time, of which not more than \$100,000 in value may be comprised of Options.

## **Exercise Price**

The price at which the Class A Shares may be subscribed for pursuant to an option granted under the Stock Option Plan shall be the exercise price (the "Exercise Price") set by the Board at the time of the grant, provided that such Exercise Price shall not be less than the "Market Value" at the time of the option grant. "Market Value" means: (i) the last daily closing price per share on the TSX on the trading day immediately preceding the date of the grant; or (ii) if there was no sale on the TSX on such date, the last sale prior thereto.

## **Vesting**

Unless the Board determines otherwise, any option granted will vest and become exercisable by the Eligible Person who was granted the option (an "Optionee") in four equal tranches on the first, second, third and fourth anniversary of the date of the grant. The Optionee may exercise any vested option at any time not later than: (i) the eighth anniversary of the date of the grant; or (ii) such earlier date fixed by the Board (the "Expiry Date"), and all unexercised options shall expire and terminate and be of no further force or effect whatsoever following such Expiry Date. However, if an option expires during a trading black-out period imposed by the Company, the option shall expire ten business days after the black-out period is lifted by the Company.

## **No Financial Assistance**

None of the Optionees shall receive any loan or other financial assistance from the Company to facilitate the exercise of Options.

## **Treatment of Options on the Occurrence of Certain Events**

The Plan includes provisions regarding the treatment of options on the occurrence of certain events such as the death, disability, retirement or termination of employment of an Optionee.

## **Assignability**

The Optionee's rights with respect to an option granted under the Stock Option Plan are personal to the Optionee and may not be sold, transferred, assigned or disposed of in any way, other than, in the event of the death of an Optionee, to the Optionee's executor, administrator or other personal representative by will or by the laws of devolution.

## **Termination**

The Board may, subject to any required regulatory approval, suspend or terminate the Stock Option Plan in whole or in part. No action taken by the Board to terminate the Stock Option Plan shall affect any Options granted thereunder.

## **Amendment**

The Board may, at any time and from time to time, amend the Stock Option Plan, provided that no such amendment may be made: (i) without obtaining any required approval of the TSX and any other applicable regulatory approval; or (ii) that, without the consent of the Optionee, materially decrease the rights or benefits accruing to such Optionee or materially increase the obligations of such Optionee. Without limiting the generality of the foregoing, the Board may, without the approval of Class A shareholders, make amendments to the Stock Option Plan for any of the following purposes:

- (a) amendments of a "housekeeping" nature, including, but not limited to, of a clerical, grammatical or typographical nature;
- (b) to correct any defect, supply any information or reconcile any inconsistency in the Stock Option Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Stock Option Plan;
- (c) a change to the vesting provisions of any option or the Stock Option Plan;
- (d) amendments to reflect any changes in requirements of the TSX or any other applicable regulatory authority to which the Company is subject;
- (e) a change to the termination provisions of an option which does not result in an extension beyond the Option Period;
- (f) in the case of an option, an increase in the Exercise Price;

- (g) in the case of any option, such amendments or revisions contemplated as a result of a share subdivision, consolidation, amalgamation, business combination or similar transaction (the "Adjustment Provisions");
- (h) the addition of a cashless exercise feature, payable in cash or securities of the Company; and
- (i) amendments respecting administration of the Stock Option Plan.

Notwithstanding any other term or condition of the Stock Option Plan, none of the following amendments may be made to the Stock Option Plan without first obtaining the approval of the Class A shareholders:

- (a) any reduction in the Exercise Price of an outstanding option, other than pursuant to the Adjustment Provisions;
- (b) an option may not be cancelled and reissued so as to in effect reduce the Exercise Price of an option, other than pursuant to the Adjustment Provisions;
- (c) any extension to the Option Period, other than pursuant to the provisions of the Stock Option Plan;
- (d) any amendment which cancels an option, the Exercise Price of which is greater than the Market Value of a Class A Share at the time of the cancellation, and replaces such option with a cash award or other entitlement;
- (e) any amendment to remove or to exceed the insider participation limits prescribed in the Stock Option Plan;
- (f) any amendment of the limitation on grants to a non-employee director;
- (g) any change in the definition of "Eligible Person" or "Employee";
- (h) any increase in the maximum number of Class A Shares issuable upon the exercise of options granted under the Stock Option Plan, or under any other security-based compensation arrangement, from the current ten per cent of the issued and outstanding Class A Shares;
- (i) any change relating to the non-assignability of options; or
- (j) any amendment to the amending provisions set forth in the Stock Option Plan.

## Additional Information

You can find important disclosure and governance documents on our website at [www.company.isc.ca](http://www.company.isc.ca), including our annual audited and quarterly consolidated financial statements, management's discussion and analysis (or MD&A), annual report, annual information form, news releases, code of conduct and this Circular.

Shareholders can request a free copy of this Circular, our annual information form and annual report from our Corporate Secretary, Kathy Hillman-Weir, Q.C., Executive Vice-President, Chief Corporate Officer, General Counsel and Corporate Secretary, at the following:

Information Services Corporation  
300 – 10 Research Drive  
Regina, Saskatchewan S4S 7J7  
[corporate.secretary@isc.ca](mailto:corporate.secretary@isc.ca)

The information required by Form 52-110F1 under NI 52-110 can be found under the heading "Audit Committee Matters" in our Annual Information Form.

You can also find these and other documents in the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

# Appendix A – Amended and Restated Stock Option Plan

OF

## INFORMATION SERVICES CORPORATION

**Dated March 19, 2014, With The Amendments  
Effective As Of May 17, 2017 and, May 15, 2019 and [•], 2020**

### 1. Purpose of the Plan

- 1.1 The purpose of this stock option plan is to provide Employees and Directors of Information Services Corporation (the “Corporation”) with compensation opportunities that will encourage share ownership and enhance the Corporation’s ability to attract, retain and motivate key personnel and reward significant performance achievements.

### 2. Definitions

- 2.1 For the purposes of the Plan, the following terms have the respective meanings set forth below:

- (a) “Blackout Period” means that period during which a trading blackout period is imposed by the Corporation to restrict trades in the Corporation’s securities by an Eligible Person;
- (b) “Board” means the board of directors of the Corporation;
- (c) “Broker-Assisted Cashless Exercise” has the meaning ascribed to that term in Subsection 9.4 hereof;
- (d) “Cause” means “Just Cause” as defined in the Employee’s employment agreement with the Corporation or one of its Subsidiaries, or if such term is not defined or if the Participant has not entered into an employment agreement with the Corporation or one of its Subsidiaries, then as such term is defined by applicable law, and shall include, without limitation, the occurrence of one of the following events with respect to the Employee: (i) has materially breached any of his or her duties and obligations under the Corporation’s policies or code of conduct as may be adopted by the Board or written agreement with the Employee, resulting in adverse consequences to the Corporation or any of its Subsidiaries; (ii) has misappropriated funds or property of the Corporation or any of its Subsidiaries or made any material misrepresentation in connection with the Employee’s employment with the Corporation or any of its Subsidiaries (iii) is convicted of or pleads guilty to an indictable offence; or (iv) has engaged in gross misconduct that is adverse to the interests of the Corporation or any of its Subsidiaries;
- (e) “Change in Control” means the occurrence of any one or more of the following events: (1) the acquisition of ownership, directly or indirectly, beneficially or of record, by any person or combination of persons acting jointly or in concert with each other, of more than fifty percent (50%) of the then outstanding voting shares of the Corporation; or (2) as a result of or in connection with a contested election of Directors, the nominees named in the most recent management information circular of the Corporation for election to the Board shall not constitute a majority of the Board; or (3) the shareholders of the Corporation approve a merger, consolidation or amalgamation of the Corporation with any other corporation, other than a merger, consolidation or amalgamation which would result in the voting securities of the Corporation outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least fifty percent (50%) of the combined voting power of the voting securities of the Corporation or such surviving entity outstanding immediately after such merger, consolidation or amalgamation, or (4) the shareholders approve a plan of complete liquidation of the Corporation or the sale or disposition by the Corporation of all or substantially all of the Corporation’s assets in one or a series of related transactions. Notwithstanding the foregoing, the determination of “change in control” under any employment agreement between any Officer or Employee and the Corporation or any Subsidiary shall be determined and administered separately from the Plan;
- (f) “Chief Executive Officer” means the chief executive officer of the Corporation as appointed by the Board;

- (g) "Compensation Committee" means the committee of the Board as constituted from time to time to oversee compensation matters and if none is so constituted, means the full Board;
- (h) "Corporation" means INFORMATION SERVICES CORPORATION, a corporation incorporated under The Business Corporations Act (Saskatchewan), and includes, unless the context otherwise requires, all of its Subsidiaries and successors according to law;
- (i) "Director" means a director of the Corporation as may be elected from time to time, other than a director that is also an Employee;
- (j) "Disability" means a physical injury or mental incapacity of a nature which the Board determines prevents or would prevent the Optionee from satisfactorily performing the substantial and material duties of his or her position with the Corporation;
- (k) "Distribution" has the same meaning ascribed to that term in the Securities Act;
- (l) "Eligible Person" means any Employee or Director of the Corporation or of a Subsidiary;
- (m) "Employee" means:
  - (i) a person who is considered an employee under the Income Tax Act (Canada);
  - (ii) a person who works full-time for the Corporation or a Subsidiary of the Corporation providing services normally provided by an employee and who is subject to the same control and direction by such entity over the details and methods of work as an employee of such entity, but for whom income tax deductions are not made at source; or
  - (iii) a person who works for the Corporation or a Subsidiary of the Corporation on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by such entity over the details and methods of work as an employee of such entity, but for whom income tax deductions need not be made at source;
- (n) "Exchange" means, if the Shares are listed on the TSX, the TSX and, if the Shares are not listed on the TSX, any other principal exchange upon which the Shares are listed;
- (o) "Exercise Price" means the price per Share at which Shares may be purchased under the Option, as determined pursuant to Section 5.1(b) hereof and as may be adjusted in accordance with Section 10 hereof;
- (p) "Expiry Date" means with respect to each Option granted, a fixed date upon which the Option and all rights to exercise same will expire and terminate;
- (q) "Grant Date" means the date on which an Option is granted to an Eligible Person;
- (r) "Insider" has the same meaning as set out in the TSX Company Manual;
- (s) "Market Value" of a Share means, on any given day:
  - (i) where the Share is not listed on an Exchange, the fair market value of a Share on that day determined by the Board in good faith; and
  - (ii) where the Share is listed on an Exchange, the last daily closing price per Share on the Exchange on the trading day immediately preceding the relevant date and if there was no sale on the Exchange on such date, then the last sale prior thereto;
- (t) "Notice of Exercise" means a written notice of exercise of Options addressed to the Corporation, substantially in the form attached as Exhibit "1" to Appendix "A";
- (u) "Officer" means a duly appointed officer of the Corporation;
- (v) "Option" means the right to purchase a Share under the Plan;
- (w) "Option Period" has the meaning ascribed to that term in Subsection 6.4 hereof;
- (x) "Optionee" means an Eligible Person to whom an Option has been granted;
- (y) "Person" includes a company, any unincorporated entity, or an individual;

- (z) "Plan" means the Amended and Restated Stock Option Plan of the Corporation as set forth herein as the same may be amended and/or restated from time to time;
- (aa) "Retirement" means the termination of employment due to retirement of an Optionee on or after such Optionee's normal retirement date under the applicable retirement plan or policy of his or her employer or due to early retirement with the consent of the board of directors or appropriate officer of the employer;
- (bb) "Regulators" has the meaning ascribed to that term in Section 11.1(a) hereof;
- (cc) "Securities Act" means The Securities Act, 1988 (Saskatchewan), as amended from time to time;
- (dd) "Share" means a Class A Limited Voting Share in the capital of the Corporation;
- (ee) "Share Compensation Arrangement" means any stock option, stock option plan, employee stock purchase plan or other compensation or incentive mechanism involving the issuance or potential issuance of Shares, including a share purchase from treasury that is financially assisted by the Corporation by way of a loan, guarantee or otherwise;
- (ff) "Shareholder" means a holder of one or more Shares;
- (gg) "Subsidiary" means any corporation which is a subsidiary of the Corporation. For purposes of the Plan, a body corporate shall be deemed to be a subsidiary of another body corporate if:
  - (a) it is controlled by:
    - (i) that other body corporate;
    - (ii) that other body corporate and one or more bodies corporate each of which is controlled by that other body corporate; or
    - (iii) two or more bodies corporate each of which is controlled by that other body corporate; or
  - (b) it is a subsidiary of a body corporate that is a subsidiary of that other body corporate;
- (hh) "Termination For Cause" means, with respect to an Eligible Person, the termination by the Corporation for Cause, including but not limited to the resignation at the request of the Corporation for Cause, of such Eligible Person's position as a Director or Employee and such Participant's employment with the Corporation, if any; and
- (ii) "TSX" means the Toronto Stock Exchange.

2.2 Unless otherwise indicated, all dollar amounts referred to in this Plan are in Canadian funds.

2.3 As used in this Plan, words importing the masculine gender shall include the feminine and neuter genders and words importing the singular shall include the plural and vice versa, unless the context otherwise requires and references to person includes any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation (with or without share capital), unincorporated association, trust, trustee, executor, administrator or other legal representative.

### **3. Administration of the Plan**

- 3.1 The Plan shall be administered by the Board with the assistance of the Compensation Committee and the Chief Executive Officer as provided herein.
- 3.2 The Board may delegate to the Compensation Committee or any Director, Officer or employee of the Corporation such of the Board's duties and powers relating to the Plan as the Board may see fit.
- 3.3 The Chief Executive Officer of the Corporation shall periodically make recommendations to the Compensation Committee as to the grant of Options.
- 3.4 The Compensation Committee shall make recommendations to the Board as to the grant of Options.
- 3.5 The Board may wait until such time as the financial statements of the preceding fiscal year are approved by the Board before making any determination regarding the grant of Options.
- 3.6 In addition to the powers granted to the Board under the Plan and subject to the terms of the Plan, the Board shall have full and complete authority to grant Options, to interpret the Plan, to prescribe such rules and regulations as it

deems necessary for the proper administration of the Plan and to make such determinations and to take such actions in connection therewith as it deems necessary or advisable. Any such interpretation, rule, determination or other act of the Board shall be conclusively binding upon all persons.

- 3.7 The Board may authorize one or more Officers to execute and deliver and to receive documents relating to the Plan on behalf of the Corporation.
- 3.8 Neither the Board and the Committee, nor any Officer or employee of the Corporation shall be liable for any act, omission, interpretation, construction or determination made in good faith in connection with this Plan, and the members of the Board, the Committee and such Officers and employees of the Corporation shall be entitled to indemnification by the Corporation in respect of any claim, loss, damage or expense (including legal fees and disbursements) arising therefrom to the fullest extent permitted by law. The costs and expenses of implementing and administering this Plan shall be borne by the Corporation.

#### **4. Shares Subject to the Plan**

- 4.1 The maximum number of Shares that may be issuable upon the exercise of all Options granted under the Plan and any other Share Compensation Arrangement shall not at any time exceed ten percent (10%) of the total number of issued and outstanding Shares at the Grant Date of the Options, subject to adjustment as provided in Section 10 hereof and subject to reloading permitted under Subsection 4.4 (which reloading shall increase the aggregate number of Shares that may be issued under the Plan by the number of additional Shares permitted to be reserved under Subsection 4.4). No fractional Shares may be purchased or issued under the Plan. Notwithstanding the foregoing, if the Shares of the Corporation are not listed on an Exchange, the Board may in its discretion reserve for issuance upon the exercise of all Options granted under the Plan and any other Share Compensation Arrangement up to ten percent (10%) of the issued and outstanding Shares at the Grant Date of the Stock options.
- 4.2 The total number of Shares that may be issuable to any one person under the Plan in any one year shall not, at any time, exceed five percent (5%) of the Shares of the Corporation issued and outstanding on a non-diluted basis.
- 4.3 Anything in this Plan to the contrary notwithstanding:
- (a) the maximum number of Shares that may be issuable under the Plan to Insiders of the Corporation, together with the number of Shares that may be issuable to such Insiders under other Share Compensation Arrangements, shall not, at any time, exceed ten percent (10%) of the issued and outstanding Shares on a non-diluted basis;
  - (b) the maximum number of Shares which may be issued to Insiders of the Corporation within any one-year period, under the Plan when taken together with the number of Shares issued to such Insiders under other Share Compensation Arrangements, shall not, at any time, exceed ten percent (10%) of the Shares of the Corporation's issued and outstanding on a non-diluted basis; and
  - (c) in any calendar year, any Option grants, together with any grants of units, Shares or options under other Share Compensation Arrangements to a non-employee Director, shall not exceed, in aggregate, a grant date fair value (number of options, Shares and units granted multiplied by the Market Value of a Share on the date of the grant) of One Hundred Fifty Thousand (\$150,000.00) Dollars or such lower limit as the Board may set from time to time, of which value not more than One Hundred Thousand (\$100,000.00) Dollars in value may be comprised of Options.
- 4.4 Options may be granted in respect of authorized and unissued Shares. Shares in respect of which Options have expired, were cancelled or otherwise terminated for any reason without having been exercised shall be available for subsequent Option grants under the Plan. Options that have been exercised shall be available for subsequent grants under the Plan and the Corporation shall reserve additional Shares for issuance pursuant to such Options.

#### **5. Grants of Options**

- 5.1 Subject to the provisions of the Plan, the Board shall, from time to time, determine those Eligible Persons to whom Options shall be granted and the Grant Date. Options granted to Eligible Persons in accordance with the requirement hereunder shall be at no cost to the Eligible Person. The Board shall also determine, in connection with each grant of Options:
- (a) the number of Options to be granted;

- (b) the Exercise Price applicable to each Option, provided that the Exercise Price shall not be less than the Market Value per Share on the Grant Date;
- (c) the vesting conditions of the Options, if any; and
- (d) the other terms and conditions (which need not be identical and which, without limitation, may include non-competition provisions) of all Options covered by any grant.

5.2 An Option grant cannot be approved during a Blackout Period unless the process described in this Section 5.2 is followed. If an Option grant is approved during a Blackout Period, then the Grant Date shall not be earlier than the sixth trading day immediately following the expiration of the Blackout Period and the Exercise Price shall not be less than the Market Value per Share on such Grant Date.

## **6. Eligibility, Vesting and Terms of Options**

- 6.1 Options may be granted to Eligible Persons only.
- 6.2 Subject to the adjustments provided for in Section 10 hereof, each Option shall entitle the Optionee to purchase one Share.
- 6.3 Subject to the Board's discretion to alter the vesting periods in connection with any Option grant, twenty-five percent (25%) of the Options shall vest and become exercisable on the first, second, third and fourth anniversary of the Grant Date. The Board has the sole discretion to adjust the vesting of Options.
- 6.4 The option period (the "Option Period") of each Option commences on the Grant Date and expires at 4:30 p.m. Central Standard Time on the eighth anniversary of the Grant Date, unless the Board specifies an earlier Expiry Date in respect of a particular Option grant. An Option which has vested may be exercised (in each case to the nearest full Share) at any time during the Option Period. If an Option expires during a Blackout Period (other than a Blackout Period resulting from a cease trade order issued by a securities regulatory authority to which the Corporation or the Optionee is subject), then, notwithstanding any other provision of the Plan, the Option shall expire ten (10) business days after the Blackout Period is lifted by the Corporation.
- 6.5 An Option is personal to the Optionee and may not be sold, transferred, assigned or disposed of in any way, subject to Section 8.1.

## **7. Option Agreement**

- 7.1 Upon the grant of an Option, the Corporation and the Optionee shall enter into an option agreement, substantially in the form set out in Appendix "A" attached hereto or in such other form as approved by the Board, which agreement shall set out the Optionee's agreement that the Options are subject to the terms and conditions set forth in the Plan as it may be amended or replaced from time to time, the Grant Date, the name of the Optionee, the Optionee's position with the Corporation, the number of Options, the Exercise Price, the expiry date of the Option Period, the vesting provisions (if any), the conditions (if any) imposed on the exercise of the Option, and such other terms and conditions as the Board may deem appropriate.

## **8. Termination of Employment or Directorship**

- 8.1 In the event of the death of an Optionee, either while in the employment of the Corporation or a Subsidiary of the Corporation, or while a director of the Corporation, or after Retirement or Disability, the Optionee's executor, administrator or other personal representative who have acquired the right to exercise such Option from the Optionee by will or the laws of devolution may, within three hundred and sixty-five (365) days from the date of the Optionee's death, exercise any Option granted hereunder. All Options granted shall immediately vest on the date of death; provided, however, that no Option shall be exercisable following the expiration of the Option Period applicable thereto.
- 8.2 In the event of the Disability of an Optionee, either while in the employment of the Corporation or a Subsidiary of the Corporation, or while a director of the Corporation, all Options shall continue to vest and become exercisable in accordance with its terms; provided, however, that no Option shall be exercisable following the expiration of the Option Period applicable thereto.

- 8.3 In the event of the Retirement of an Optionee, either while in the employment of the Corporation or a Subsidiary of the Corporation or while a director of the Corporation, all Options shall continue to vest and become exercisable in accordance with their terms, until three (3) years from the date of Retirement. At the end of said period the Options will expire and terminate and all unexercised rights will be forfeited; provided, however, that no Option shall be exercisable following the expiration of the Option Period applicable thereto.
- 8.4 Any Optionee who ceases to be an Eligible Person for any reason, other than a Termination for Cause, at any time in the six months following a Change in Control of the Corporation (as hereinafter defined) shall have ninety (90) days from the date the Optionee ceased to be an Eligible Person to exercise any Option granted hereunder. All Options granted shall immediately vest on the date of such termination; provided, however, that no Option shall be exercisable following the expiration of the Option Period applicable thereto.
- 8.5 In the event an Optionee ceases to be an Eligible Person for any reason other than Termination for Cause, death, or in the circumstances described in Subsections 8.1, 8.2, 8.3 or 8.4 hereof, the Optionee may exercise any Option granted hereunder to the extent such Option was exercisable and had vested on the date of termination no later than ninety (90) days after such termination. Any unvested Option will immediately expire and terminate on the date the Optionee ceases to be an Eligible Person. In the event of the Termination for Cause of an Optionee, all Options held by the Optionee that have not been exercised prior to such termination shall lapse and become null and void immediately upon such termination.
- 8.6 The Board may also in its sole discretion (without the requirement of Shareholder approval) increase the periods permitted to exercise all or any of the Options covered by any Grant following an Optionee ceasing to be an Eligible Person as provided in Subsections 8.1, 8.2, 8.3, 8.4 or 8.5 above, if allowable under applicable law; provided, however, that in no event shall any Option be exercisable following the expiration of the Option Period applicable thereto.
- 8.7 This Plan, any Option Agreement and any instrument executed in connection therewith will not:
- (a) confer on any Optionee any right to continue in employment or directorship, or engagement with the Corporation or its Subsidiaries;
  - (b) affect the right of the Corporation to terminate the employment or engagement or directorship of any Optionee without liability at any time with or without cause;
  - (c) affect the right of the Corporation to terminate the engagement of the person or corporation providing management services to the Corporation;
  - (d) impose upon the Board (or, if so delegated, the Compensation Committee) or any other person any duty or liability whatsoever (whether in contract, tort, or otherwise howsoever) in connection with:
    - (i) the lapsing of any Option pursuant to the Plan;
    - (ii) the failure or refusal to exercise any discretion under the Plan; or
    - (iii) an Optionee ceasing to be an Eligible Person for any reason whatever.
- 8.8 The benefit of Subsection 8.7 is given to the Corporation for itself and as trustee and agent of each of its Subsidiaries. To the extent that this Section benefits any company, which is not a party to the Plan, the benefit shall be held on trust and as agent by the Corporation for such company and the Corporation may, at its discretion, assign the benefit of Subsection 8.7 to any such company.

## **9. Exercise of Options**

- 9.1 Subject to the provisions of the Plan, an Option may be exercised from time to time by delivery to the Corporation at its registered office of a Notice of Exercise, specifying the number of Shares with respect to which the Option is being exercised, together with a certified cheque or bank draft for the aggregate of the Exercise Prices to be paid for the Shares to be purchased and, in accordance with Subsection 12.2, payment in full of any withholding tax amount the Corporation or a Subsidiary is required to remit as a result of the exercise of such Option. Certificates for such Shares shall be issued and delivered to the Optionee not later than thirty (30) days following the receipt of such notice and payment. Such certificates may bear a legend stipulating any resale restrictions required under applicable securities laws.

- 9.2 The Optionee may, in lieu of an exercise of Options under Subsection 9.1, exercise Options for a number of Shares without payment of the Exercise Price by delivery to the Corporation at its registered office of a Notice of Exercise specifying the Optionee is subscribing for that number of Shares to which the Optionee is entitled to purchase, without payment of the Exercise Price, and accompanied by payment in full of any withholding tax amount the Corporation or a Subsidiary is required to remit as a result of the exercise of such Option. The number of Shares to be issued or provided to the Optionee is the number obtained by dividing (a) the difference between the Market Value and the Exercise Price multiplied by the number of Shares in respect of which the Options would otherwise be exercised with payment of the Exercise Price, by (b) the Market Value. In lieu of fractional Shares, there will be paid to the Optionee by the Corporation upon the exercise of such Options pursuant to this Subsection 9.2 within ten (10) Business Days after the date of exercise, an amount in lawful money of Canada equal to the then Market Value of such fractional interest, provided that the Corporation will not be required to make any payment, calculated as aforesaid, that is less than ten dollars (\$10.00).
- 9.3 The Optionee may request by delivery to the Corporation at its registered office of a Notice of Exercise that the Corporation, in lieu of the issuance of Shares under Subsection 9.2, pay to the Optionee in cash an amount equal to (a) the difference between the Market Value and the Exercise Price multiplied by (b) the number of Shares in respect of which the Options have been exercised. The Board may, in its sole discretion, grant or decline any such request by an Optionee. In the event the Board grants the request, the Corporation will have ninety (90) days from the receipt of the Notice of Exercise to make such payment hereunder.
- 9.4 The Optionee may elect to exercise Options on a “broker-assisted” cashless basis (“Broker-Assisted Cashless Exercise”), to the extent that the Board has approved such an arrangement, from time to time. Any such Broker-Assisted Cashless exercise will occur in accordance with such methods as the Board may determine, from time to time. An Optionee may elect Broker-Assisted Cashless Exercise from time to time by delivery to the Corporation at its registered office of a Notice of Exercise.
- 9.5 No less than one hundred (100) Options may be exercised at any one time, except where a smaller number of Options is or remains exercisable pursuant to a grant, in which case, such smaller number of Options must be exercised at one time.

## **10. Adjustment on Alteration of Share Capital**

- 10.1 In the event of a subdivision, consolidation or reclassification of outstanding Shares or other capital adjustment, or the payment of a stock dividend thereon, the number of Shares reserved or authorized to be reserved under the Plan, the number of Shares receivable on the exercise of an Option and the Exercise Price therefor shall be increased or reduced proportionately and such other adjustments shall be made as may be deemed necessary or fair and equitable by the Board.
- 10.2 If the Corporation amalgamates, consolidates or combines with or merges with or into another body corporate, whether by way of amalgamation, statutory arrangement or otherwise (the right to do so being hereby expressly reserved) (a “Business Combination”), any Share receivable on the exercise of an Option shall be converted into the securities, property or cash which the Optionee would have received upon such Business Combination if the Optionee had exercised his or her Option immediately prior to the effective date of such Business Combination and the Exercise Price shall be adjusted as may be deemed necessary or fair and equitable by the Board and such adjustment shall be binding for all purposes of the Plan. Furthermore, notwithstanding any other provision herein, (a) if because of a proposed Business Combination the exchange or replacement of shares in the Corporation of those in another company is imminent, or (b) an offer to purchase all of the Shares is made by a third party, the Board may, in a fair and equitable manner, determine the manner in which all unexercised Options granted under the Plan shall be treated including, for example, requiring the acceleration of the time for the exercise of such rights by the Optionees and of the time for the fulfilment of any conditions or restrictions on such exercise (including without limitation, vesting requirements).
- 10.3 In the event of a change in the Corporation’s currently authorized Shares which is limited to a change in the designation thereof, the shares resulting from any such change shall be deemed to be Shares within the meaning of the Plan.

- 10.4 In the event of any change affecting the Shares other than the changes referred to in Subsections 10.1, 10.2 and 10.3, such adjustment, if any, shall be made as may be deemed equitable by the Board in its sole discretion to properly reflect such event and such adjustment shall be binding for all purposes of the Plan.
- 10.5 If at any time the Corporation grants to its shareholders the right to subscribe for and purchase pro rata additional securities of any other corporation or entity, there shall be no adjustments made to the number of Shares receivable on the exercise of an Option and the Exercise Price therefor in consequence thereof and the Options shall remain unaffected.
- 10.6 The adjustments to the number of Shares receivable on the exercise of an Option and the Exercise Price therefor provided for in this Section 10 shall be cumulative.
- 10.7 No adjustment provided in this Section 10 shall require the Corporation to issue a fractional Share and the total adjustment with respect to each Option shall be limited accordingly.
- 10.8 All determinations of the Board under this Section 10 shall be binding for all purposes of the Plan.

## **11. Regulatory Approval**

- 11.1 Notwithstanding any of the provisions contained in the Plan or any Option, the Corporation's obligation to grant Options and issue Shares pursuant to the exercise of an Option and to issue and deliver certificates for such securities to an Optionee shall be subject to:
  - (a) compliance with all applicable laws, regulations, rules, orders of governmental or regulatory authorities in Canada ("Regulators");
  - (b) compliance with the requirements of the Exchange, if applicable; and
  - (c) receipt from the Optionee of such covenants, agreements, representations and undertakings, including as to future dealings in such Shares, as the Corporation determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.
- 11.2 The Corporation shall in no event be obligated to take any action in order to cause the issuance and delivery of such certificates to comply with any laws, regulations, rules, orders or requirements.
- 11.3 If any amendment, modification or termination to the provisions hereof or any Option made pursuant hereto are required by any Regulators or a stock exchange or market as a condition of approval to a Distribution to the public of any Shares or to obtain a listing or quotation of any Shares, the Board is authorized to make such amendments and thereupon the terms of the Plan, any Options, including any option agreement made pursuant hereto, shall be deemed to be amended accordingly without requiring the consent or agreement of any Optionee.

## **12. Miscellaneous**

- 12.1 An Optionee entitled to Shares as a result of the exercise of an Option shall not be deemed for any purpose to be, or to have rights as, a shareholder of the Corporation by such exercise, except to the extent Shares are issued therefor and then only from the date such Shares are issued. No adjustment shall be made for dividends or distributions or other rights where the record date is prior to the date such Shares are issued pursuant to the exercise of Options.
- 12.2 Notwithstanding any other provision contained herein, in connection with the exercise of an Option by an Optionee from time to time, as a condition to such exercise the Corporation or the Subsidiary, as the case may be, shall require such Optionee to pay to the Corporation or the Subsidiary an amount as necessary so as to ensure that the Corporation or the Subsidiary is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such Options. In addition, the Corporation or the Subsidiary shall be entitled to withhold from any amount payable to an Optionee, either under this Plan or otherwise, such amount as may be necessary so as to ensure that the Corporation or the Subsidiary is in compliance with the applicable provisions of any federal, provincial, local or foreign laws relating to the withholding of tax or other required deductions relating to the exercise of such Options. The Corporation or the Subsidiary may also satisfy any liability for any such withholding obligations, on such terms and conditions as the Corporation or the Subsidiary may determine in its discretion, by (a) requiring an Optionee, as a condition to the

exercise of any Options, to make such arrangements as the Corporation or the Subsidiary may require so that the Corporation or the Subsidiary can satisfy such withholding obligations including, without limitation, requiring the Optionee to remit to the Corporation or the Subsidiary in advance, or reimburse the Corporation or the Subsidiary for any such withholding obligations, or (b) selling on the Optionee's behalf, or requiring the Optionee to sell, any Shares acquired by the Optionee under the Plan, or retaining any amount which would otherwise be payable to the Optionee in connection with any such sale.

- 12.3 The Plan shall be governed and construed in accordance with the laws of the Province of Saskatchewan.
- 12.4 Nothing contained in the Plan shall confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Corporation, or interfere in any way with the right of the Corporation to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to the same. Participation in the Plan by an Optionee shall be voluntary.
- 12.5 The Corporation makes no representation or warranty as to the future market value of Shares issued in accordance with the provision of the Plan or to the effect of the Income Tax Act (Canada) or any other taxing statute governing the Options or the Shares issuable thereunder or the tax consequences to an Eligible Person. Compliance with applicable securities laws as to the disclosure and resale obligations of each Optionee is the responsibility of such Optionee and not the Corporation.

### **13. Claw-back**

- 13.1 All vested and unvested Options granted or exercised within a 3-year period of any material financial restatement, breach of post-employment restrictive covenants, misconduct and/or gross negligence shall be subject to claw-back. The amount and the extent of claw-back will be subject to the discretion of the Board. In such circumstances the Board may (in addition to any other rights that the Corporation or any Subsidiary may have at law or under any agreement) take any of the following actions (i) cancel and terminate any one or more unvested Options on or prior to the applicable vesting dates, or cancel or terminate any outstanding Options which have vested in the twelve (12) months prior to the date on which the Board determines that the Corporation's original financial statements are required to be restated; and (ii) require payment to the Corporation of the value (or portion of such value determined by the Board in its discretion) of any Shares of the Corporation acquired by the Optionee pursuant to Options exercised in the twelve (12) months prior to the date on which the Board determines that the Corporation's original financial statements are required to be restated.

### **14. Effective Date, Amendment and Termination**

- ~~14.1~~ 14.1 The Plan is effective as of March 19, 2014, was amended and restated by the Board on March 14, 2017 with the amendments approved with an effective date of May 17, 2017 ~~and~~, was further amended and restated by the Board on May 15, 2019 with the amendments approved with an effective date of May 15, 2019 ~~and was further amended and restated by the Board on March 17, 2020 with the amendments approved with an effective date of [•], 2020.~~
- ~~14.2~~ 14.2 The Board may, subject where required to Regulators and/or Exchange approval and Shareholder approval, amend the Plan at any time. Notwithstanding the foregoing, the Board is specifically authorized to amend or revise the terms of the Plan or any Option without obtaining Shareholder approval in the following circumstances, provided that, in the case of any Option, no such amendment or revision may, without the consent of the Optionee, materially decrease the rights or benefits accruing to such Optionee or materially increase the obligations of such Optionee:
- (a) amendments of a "housekeeping" nature including, but not limited to, of a clerical, grammatical or typographical nature;
  - (b) to correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
  - (c) a change to the vesting provisions of any Option or the Plan;

- (d) amendments to reflect any changes in requirements of any Regulator or Exchange to which the Corporation is subject;
- (e) a change to the termination provisions of an Option which does not result in an extension beyond the Option Period as contemplated in Subsection 6.4 of the Plan;
- (f) in the case of an Option, an increase in the Exercise Price;
- (g) in the case of any Option, such amendments or revisions contemplated in Section 10 of the Plan;
- (h) the addition of a cashless exercise feature, payable in cash or securities of the Corporation; and
- (i) amendments respecting administration of the Plan.

~~13~~14.3 Notwithstanding Section ~~13~~14.2:

- (a) unless disinterested Shareholder approval is obtained in accordance with the requirements of the Exchange, if applicable:
  - (i) the Exercise Price of any outstanding Option may not be reduced, other than an adjustment pursuant to Section 10;
  - (ii) an Option may not be cancelled and reissued so as to in effect reduce the Exercise Price of an Option, other than an adjustment pursuant to Section 10;
  - (iii) the original Option Period may not be extended other than pursuant to the provisions of the Plan;
  - (iv) an amendment which cancels an Option, the Exercise Price of which is greater than the Market Value of a Share at the time of cancellation, and replaces such Option with a cash award or other entitlement, may not be made;
  - (v) an amendment to remove or to exceed the insider participation limits prescribed in Section 4.3(a) or Section 4.3(b) may not be made; or
  - (vi) an amendment to remove or to exceed the limit on Option grants to non-employee Directors prescribed in Section 4.3(c) may not be made.
- (b) unless Shareholder approval is obtained in accordance with the requirements of the Exchange, if applicable:
  - (i) any change to the definition of "Eligible Person" or "Employee";
  - (ii) the percentage limit set forth in Section 4.1 may not be increased;
  - (iii) an amendment to Section 6.5 may not be made; or
  - (iv) an amendment to Section ~~13~~14.2 or this Section ~~13~~14.3 may not be made.

~~13~~14.4 The Board may, subject where required to Regulators and/or Exchange approval, from time to time suspend or terminate the Plan in whole or in part. No action by the Board to terminate the Plan pursuant to this Section ~~13~~14.4 shall affect any Options granted hereunder which became effective pursuant to the Plan prior to such action.

**APPENDIX "A"**

**Amended and Restated Stock Option Plan of  
INFORMATION SERVICES CORPORATION  
OPTION AGREEMENT**

This Option Agreement is entered into between INFORMATION SERVICES CORPORATION (the "Corporation") and the Optionee named below pursuant to the Corporation's Amended and Restated Stock Option Plan, as amended (the "Plan") a copy of which is attached hereto, and confirms the following:

1. Grant Date: \_\_\_\_\_
2. Optionee: \_\_\_\_\_
3. Optionee's Position with the Corporation: \_\_\_\_\_
4. Number of Options: \_\_\_\_\_
5. Exercise Price (\$ per Share): \$ \_\_\_\_\_
6. Expiry Date of Option Period: \_\_\_\_\_
7. Each Option entitles the Optionee to purchase one Share at any time up to 4:30 p.m. Central Standard Time on the expiry date of the Option Period.
8. The Options vest as follows:
  - a) \_\_\_\_\_ of the Options granted shall vest on [ Date ];
  - b) an additional \_\_\_\_\_ of the Options granted shall vest on [ Date ];
  - c) an additional \_\_\_\_\_ of the Options granted shall vest on [ Date ];
  - d) the final \_\_\_\_\_ of the Options granted shall vest on [ Date ].
9. The Option is non-assignable and non-transferrable otherwise than, by will or by the law governing the devolution of property, to the Optionee's executor, administrator or other personal representative in the event of death of the Optionee.
10. This Option Agreement is subject to the terms and conditions set out in the Plan, as amended or replaced from time to time, which are hereby incorporated herein and forms part hereof. In the case of any inconsistency between this Option Agreement and the Plan, the Plan shall govern.
11. The Option may be exercised from time to time by delivery to the Corporation at its registered office of a written notice of exercise addressed to the Corporation, substantially in the form attached hereto as Exhibit "1", specifying the number of Shares with respect to which the Option is being exercised, and:
  - a) (i) together with a certified cheque(s) or bank draft(s) for the aggregate of the Exercise Prices to be paid for the Shares to be purchased; and (ii) any withholding tax amount required to be remitted in connection with the exercise of such Option;
  - b) (i) specifying the Optionee is electing to exercise the cashless exercise right described in Subsection 9.2 of the Plan; and (ii) a certified cheque(s) or bank draft(s) for any withholding tax amount required to be remitted in connection with the exercise of such Option;
  - c) specifying the Optionee is requesting to exercise the cashless exercise right described in Subsection 9.3 of the Plan; or
  - d) specifying the Optionee is electing to exercise the broker-assisted cashless exercise right described in Subsection 9.4 of the Plan.

Certificates for such Shares shall be issued and delivered to the Optionee not later than thirty (30) days following the receipt of such notice and payment, in cases where option a) or b) above has been selected. All certificates shall bear a legend stipulating any resale restrictions required under applicable securities laws.

12. Unless otherwise indicated, all defined terms shall have the respective meanings attributed thereto in the Plan.
13. By signing this agreement, and as a condition to the exercise of any Options granted hereunder, the Optionee covenants and agrees with the Corporation that he or she does not currently, and will not under any circumstances hold more than 15% of the total voting securities of the Corporation in contravention of *The Information Services Corporation Act* (Saskatchewan).
14. By signing this agreement, the Optionee acknowledges that he, she, or its authorized representative has read and understands the Plan and agrees that the Options are granted under and governed by the terms and conditions of the Plan, as may be amended or replaced from time to time.

IN WITNESS WHEREOF the parties hereto have executed this Option Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

SIGNED, SEALED AND DELIVERED by	)	
	)	
_____ in the presence of:	)	
	)	
	)	
_____	)	_____
Signature of Witness	)	Signature by Optionee
	)	
	)	
_____	)	_____
Print Name	)	Print Name

INFORMATION SERVICES CORPORATION.

Per: \_\_\_\_\_  
Authorized Signatory

**EXHIBIT "1"**

**Notice of Exercise of Stock Option**

TO: INFORMATION SERVICES CORPORATION. (the "Corporation")

I wish to exercise \_\_\_\_\_ of the stock options granted to me by the Corporation at the price of  
CDN \$ \_\_\_\_\_ per share and select one of the following options:

Option A (pursuant to Subsection 9.1 of the Plan) – Enclosed herewith is the amount of \$ \_\_\_\_\_ in payment  
of the total exercise price for such shares. I have also enclosed an additional \$ \_\_\_\_\_ to be used by the  
Corporation to remit the required withholding tax amount in connection with this stock option exercise.

OR

Option B (pursuant to Subsection 9.2 of the Plan) – I elect to exercise the "cashless exercise right" described in  
Subsection 9.2 of the Plan. I have also enclosed an additional \$ \_\_\_\_\_ to be used by the Corporation to  
remit the required withholding tax amount in connection with this stock option exercise.

OR

Option C (pursuant to Subsection 9.3 of the Plan) I request that the Corporation, instead of issuing shares to me,  
pay me cash in an amount equal to (a) the difference between the Market Value (as defined in the Plan) and the  
Exercise Price (as defined in the Plan) multiplied by (b) the number of shares in respect of which the stock  
options have been exercised hereunder, pursuant to Subsection 9.3 of the Plan. I understand that such request  
may be declined by the Board of Directors, in its sole discretion, in which case I will be entitled to elect another  
option.

OR

Option D (pursuant to Subsection 9.4 of the Plan) – I elect to exercise the "broker-assisted cashless exercise  
right" described in Subsection 9.4 of the Plan and will provide such other forms as the Board of Directors (or  
broker approved by the Board of Directors) may specify from time to time.

I covenant and agree with the Corporation that I do not currently, and will not under any circumstances, hold more than  
15% of the total voting securities of the Corporation in contravention of *The Information Services Corporation Act*  
(Saskatchewan).

DATED as of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Signature of Optionee

\_\_\_\_\_  
Please print name of Optionee

Please have the share certificate issued as follows:

**Registration Instructions:**

**Delivery Instructions:**

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

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Contact Name



**Information Services Corporation**

300 - 10 Research Drive  
Regina, Saskatchewan S4S 7J7 Canada  
Toll-free: 1.866.275.4721