

STATEMENT OF EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

The purpose of this Compensation Discussion and Analysis is to provide information about Ostrom Climate Solutions Inc. (“Ostrom” or the “Company”) and its executive compensation objectives and processes and to discuss compensation decisions relating to Ostrom’s named executive officers (“Named Executive Officers” or “NEO”) as listed in the Summary Compensation Table that follows. During our fiscal year ended December 31, 2021, the following individuals were Ostrom’s Named Executive Officers (as determined by applicable securities legislation):

- Phil Cull, CEO (CEO since April 5, 2018);
- Rosita Morandin, Chief Financial Officer (since September 1, 2017 and was on maternity leave from March 14, 2018 until March 24, 2019. She resumed her role as CFO effective May 1, 2019);

Ostrom’s primary business is climate risk management, both physical and transition for corporations, environmental commodity developments (specifically carbon offset projects but also more broadly) and climate change mitigation activities. The Company has 4 divisions – Carbon Management and Innovation, Domestic Land Use, International Land Use and a Retail Offset Sales business delivered as the Offsetters Community. As Ostrom has no significant revenues from operations, Ostrom operates with limited financial resources and controls costs to ensure that funds are available to conduct its business operations. As a result, our Board of Directors has to consider not only the financial situation of Ostrom at the time of determination of executive compensation, but also the estimated financial situation of Ostrom in the mid- and long-term. An important element of executive compensation is that of incentive stock options, which do not require cash disbursement by Ostrom.

Additional information about Ostrom and its operations is available in our audited financial statements and Management’s Discussion & Analysis for the year ended December 31, 2021, which have been electronically filed with regulators and are available for viewing under Ostrom’s Issuer Profile at the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Compensation Objectives and Principles

The primary goal of our executive compensation process is to attract and retain the key executives necessary for our long term success, to encourage executives to further the development of Ostrom and our operations, and to motivate qualified and experienced executives. The key elements of executive compensation awarded by Ostrom are: (i) base salary; (ii) potential annual incentive award; and (iii) incentive stock options. Our directors are of the view that all of these elements should be considered when determining executive compensation, rather than any single element.

Compensation Process

Ostrom’s Board of Directors, as a whole, is responsible for determining all forms of compensation, including long-term incentives in the form of stock options to be granted to our Named Executive Officers, as well as to our directors, and for reviewing the recommendations respecting compensation for any other officers of Ostrom from time to time, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining compensation, the Board of Directors considers: (i) recruiting and retaining executives critical to Ostrom’s success and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and our shareholders; and (iv) rewarding performance, both on an individual basis and with respect to our operations in general.

Base Salary and/or Consulting Fees

Ostrom's executive compensation program is currently comprised of two primary elements: a base fee or salary for certain persons, which constitutes short-term compensation, and long-term incentive compensation comprised of the grant of options. The Board reviews both components in assessing the compensation of individual executive officers.

Base fees or salaries are intended to provide current compensation and a short-term incentive for executive officers to meet Ostrom's goals, as well as to remain competitive within the industry. Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by the executive officers.

Stock options are an important part of Ostrom's long-term incentive strategy for its employees, directors, consultants and officers, permitting them to participate in any appreciation of the market value of Ostrom's shares over a stated period of time, and are intended to reinforce commitment to long-term growth and shareholder value. Stock option grants reward overall corporate performance, as measured through the price of Ostrom's shares and enable persons to acquire and maintain a significant ownership position in the Company. See "Incentive Plan Awards – Outstanding Option-Based Awards and Share-Based Awards" below..

The Company has not retained a compensation consultant or advisor to assist the Board in determining compensation for any of the Company's directors or officers.

Option Based Awards

Options to purchase common shares of Ostrom are intended to align the interests of our directors and executive officers with those of our shareholders, to provide a long term incentive that rewards these individuals for their contribution to the creation of shareholder value, and to reduce the cash compensation Ostrom would otherwise have to pay. Ostrom's Stock Option Plan is administered by our Board of Directors. In establishing the number of the incentive stock options to be granted to our Named Executive Officers, our Board of Directors considers the level of effort, time, responsibility, ability, experience and level of commitment of the executive officer in determining the level of incentive stock option compensation. Further, the Board of Directors also takes into account previous grants of options, the overall number of options that are outstanding relative to the number of outstanding common shares and the amount and term of any such grants.

See "Incentive Plan Awards – Outstanding Option-Based Awards and Share-Based Awards" below.

Benefits and Perquisites

Ostrom does not, as of the date of this Statement of Executive Compensation, offer any benefits or perquisites to its Named Executive Officers other than entitlement to incentive stock options as otherwise disclosed and discussed herein.

Risks Associated with Ostrom's Compensation Practises

Ostrom's Board of Directors has not considered the implications of any risks to Ostrom associated with decisions regarding compensation of Ostrom's executive officers.

Hedging by Named Executive Officers or Directors

Ostrom has not, as yet, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted or awarded as compensation or held, directly or indirectly, by executive officers or

- ⁽¹⁾ The value of unexercised “in-the-money options” at the financial year-end is the difference between the option exercise price and the market value of the underlying common shares on the TSX Venture Exchange on December 31, 2021. The closing price of the common shares on December 31, 2021 was \$Nil.

Other than incentive stock options, no other share-based or non-equity incentive plan compensation has been awarded to the Named Executive Officers by Ostrom.

Incentive Plan Awards – Value Vested or Earned During the Year

The value of options vested is represented by the aggregate dollar value that would have been realized if options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date. The value of options exercised is the difference between the option exercise price and the market price of the underlying security on the date of exercise.

Options granted by Ostrom to its Named Executive Officers are typically fully vested and exercisable on the date of grant and, as such:

- unless the option exercise price is less than the market price of the underlying shares on the date of grant, there is no value earned by the Named Executive Officers during the fiscal year in which the options are granted; and
- there is no value earned by the Named Executive Officers during a subsequent fiscal year as options granted during a prior fiscal year would have fully vested during the year of grant.

The following table summarizes the value to Ostrom’s Named Executive Officers of equity and non-equity incentive plan compensation during Ostrom’s fiscal year ended December 31, 2021.

Named Executive Officer	Option-based awards – Value vested ⁽¹⁾ during the year ended Dec 31/2021 (\$)	Share-based awards - Value vested during the year ended Dec 31/2021 (\$)	Non-equity incentive plan compensation – Value earned during the year ended Dec 31/2021 (\$)
Phil Cull	Nil	Nil	Nil
Rosita Morandin	Nil	Nil	Nil

- ⁽¹⁾ Represents the aggregate dollar value that would have been realized if the options had been exercised on the vesting date - that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date.

TERMINATION AND CHANGE OF CONTROL BENEFITS

As of the date of this Statement of Executive Compensation, Ostrom is not a party to any contract, agreement, plan or arrangement with its Named Executive Officers that provide for payments to Named Executive Officers at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement, or as a result of a change in control of Ostrom or a change in a Named Executive Officer’s responsibilities.

DIRECTOR COMPENSATION

Ostrom does not pay its directors a cash fee for acting as such. They are, however, entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors. Ostrom may, from time to time, grant options to purchase common shares to its directors, and invoke varying compensation bonuses for special situations.

The following table sets forth information concerning the compensation in respect of the directors of the Company, other than the Named Executive Officers who may also serve as directors, during the financial year ended December 31, 2021. For details of the compensation for Phil Cull see the disclosure above in the “Summary Compensation Table”.

Name of Director	Fiscal Year ended Dec 31	Director Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Harry Assenmacher	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Gary Bull	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Guy O'Loughnane	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Eduard Weber-Bemnet	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Alexander Zang	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Incentive Plan Awards - Outstanding Option-Based Awards

The following table sets out details of option-based awards granted to non-executive directors by Ostrom that were outstanding at the fiscal year ended December 31, 2021.

Name	Option-based Awards outstanding at December 31, 2021				Share-based Awards outstanding at December 31, 2021		
	Number of common shares underlying unexercised options (#)	Option exercise price per common share (\$)	Option expiry date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares 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 (\$)
Harry Assenmacher	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Gary Bull	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Guy O'Loughnane	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Eduard Weber-Bemnet	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Alexander Zang	Nil	Nil	Nil	Nil	Nil	Nil	Nil

⁽¹⁾ The value of unexercised "in-the-money options" at the financial year-end is the difference between the option exercise price and the market value of the underlying common shares on the TSX Venture Exchange on December 31, 2021. The closing price of the common shares on December 31, 2021 was \$nil.

Incentive Plan Awards – Value Vested or Earned During the Year

The value of options vested is represented by the aggregate dollar value that would have been realized if options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date. The value of options exercised is the difference between the option exercise price and the market price of the underlying security on the date of exercise.

Options granted by Ostrom to its directors are typically fully vested and exercisable on the date of grant and, as such:

- unless the option exercise price is less than the market price of the underlying shares on the date of grant, there is no value earned by the directors during the fiscal year in which the options are granted; and
- there is no value earned by the directors during a subsequent fiscal year as options granted during a prior fiscal year would have fully vested during the year of grant.

The following table summarizes the value to Ostrom's directors of equity and non-equity incentive plan compensation during Ostrom's fiscal year ended December 31, 2021.

Name	Option-based awards – Value vested during the year end December 31, 2021 (\$)	Share-based awards - Value vested during the year ended December 31, 2021 (\$)	Non-equity incentive plan compensation – Value earned during the year ended December 31, 2021 (\$)
Harry Assenmacher	Nil	Nil	Nil
Gary Bull	Nil	Nil	Nil
Guy O'Loughnane	Nil	Nil	Nil
Eduard Weber-Bemnet	Nil	Nil	Nil
Alexander Zang	Nil	Nil	Nil

As no options were exercised by Ostrom's directors during the fiscal year ended December 31, 2021, no value was earned during the year ended December 31, 2021, by the directors as a result of exercise of stock options.

Date prepared: June 15, 2022.