

**VECIMA NETWORKS INC.**  
(the "Corporation")  
**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that the annual general meeting of shareholders of the Corporation shall be virtually on **Monday, December 13, 2021, at 10:00 am (Victoria time)**, (collectively, the "Meeting") for the following purposes:

1. to receive the consolidated financial statements of the Corporation for the fiscal year ended June 30, 2021, together with the report of the auditors thereon;
2. to re-appoint Grant Thornton LLP as auditors for the next fiscal year and to authorize the directors to fix their remuneration;
3. to set the number of directors of the Corporation at six;
4. to elect directors; and
5. to transact such further and other business as may properly come before the meeting or any adjournment or adjournments thereof.

The details of all matters proposed to be put before shareholders at the Meeting are set forth in the Information Circular. At the Meeting, shareholders will be asked to approve each of the foregoing items.

This year, out of an abundance of caution, to proactively deal with the unprecedented health impact of COVID-19, to mitigate risks to the health and safety of all stakeholders, and in compliance with current government direction and advice to which the Corporation will continue to adhere between the date of this Information Circular and the date of the Meeting, the Corporation will hold the Meeting **in a virtual only format, via live audiocast that Shareholders will telephone into**. Shareholders will have an equal opportunity to participate in the Meeting online regardless of their geographic location. After the Meeting the Shareholders can see a presentation. The Board of Directors of the Corporation have fixed November 8, 2021, as the record date for the determination of shareholders entitled to receive the Notice of Meeting and to vote at the Meeting.

**REGISTERED SHAREHOLDERS AND DULY APPOINTED PROXYHOLDERS SHALL CONNECT TO THE AUDIOCAST MEETING BY DIALING ONE OF THE TELEPHONE NUMBERS BELOW WHERE THEY CAN PARTICIPATE AND VOTE DURING THE MEETING LIVE AUDIOCAST:**

Participant / Guest (Toll-Free):      877-407-6176      INCOMM EVENT 16

Participant / Guest (Toll):              201-689-8451      INCOMM EVENT 16

**HOW TO LINK TO WEBCAST TO SEE PRESENTATION AFTER MEETING:**

<https://78449.themediaframe.com/dataconf/productusers/vcn/mediaframe/47394/index1.html>

Registered shareholders who are unable to attend the Meeting are requested to complete, date, sign and return the enclosed Form of Proxy in accordance with the instructions set out in the proxy and in the Information Circular as incorporated in this Notice of Meeting. A proxy shall not be valid unless the completed, dated, and signed Form of Proxy is received by Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, by 10:00 a.m. (PST) on Thursday, December 7, 2021, or not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the time for holding the Meeting or any adjournment thereof or is delivered to the Chair of the Meeting before the time of voting. If you are a non-registered shareholder of Corporation and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other intermediary. Failure to do so may result in your Shares not being eligible to be voted by proxy at the Meeting.

DATED AT VICTORIA, BRITISH COLUMBIA, NOVEMBER 8, 2021, BY ORDER OF THE BOARD OF DIRECTORS

*"Dr. Surinder Kumar"*

Dr. Surinder Kumar, Chairman and Director



**MANAGEMENT INFORMATION CIRCULAR**

**ANNUAL GENERAL MEETING OF SHAREHOLDERS OF  
VECIMA NETWORKS INC.**

**TO BE HELD BY VIRTUAL MEETING ON  
MONDAY, DECEMBER 13, 2021**

**DATED: MONDAY, NOVEMBER 8, 2021**

*If you are a non-registered shareholder of Vecima Networks Inc. and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other intermediary. Failure to do so may result in your shares not being eligible to be voted by proxy at the Annual General Meeting.*

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## VECIMA NETWORKS INC. INFORMATION CIRCULAR

This information herein is given as at the record date, which is November 8, 2021 except as indicated.

In this Information Circular, “**Vecima**”, or the “**Corporation**” refers to Vecima Networks Inc. Unless otherwise provided herein; all dollar amounts in this Information Circular are in Canadian dollars.

### FORWARD-LOOKING INFORMATION

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This Information Circular contains "forward-looking information" within the meaning of applicable securities laws. Forward-looking information is generally identifiable by use of the words "believes", "may", "plans", "will", "anticipates", "intends", "could", "estimates", "expects", "forecasts", "projects" and similar expressions, and the negative of such expressions.

In connection with the forward-looking information contained in this Information Circular, we have made numerous assumptions, regarding, among other things: the strength of our balance sheet; the present or potential value of our core technologies, business operations and asset holdings; our ability to continue our relationships with a few key customers; our ability to deliver products associated with key contracts; our ability to manage our business and growth successfully; our ability to meet customers' requirements for manufacturing capacity; our ability to develop new products and enhance our existing products; our ability to expand current distribution channels and can develop new distribution channels; our ability to recruit and retain management and other qualified personnel crucial to our business; we are not required to change our pricing models to compete successfully; our third party suppliers and contract manufacturers upon which we rely continue to meet our needs; our intellectual property is not infringed upon; we are not subject to warranty or product liability claims that harm our business; our ability to successfully implement acquisitions; our ability to manage risks associated with our international operations; currency fluctuations do not adversely affect us; growth in our key markets continues; our ability to adapt to technological change, new products and standards; we are not subject to increased competition that has an adverse effect on our business; we are not subject to competition from new or existing technologies that adversely affect our business; we are not subject to any material new government regulation of our products; and, no third parties allege that we infringe on their intellectual property. While we consider these assumptions to be reasonable, these assumptions are inherently subject to significant uncertainties and contingencies.

There are known and unknown risk factors which could cause our actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained in this Information Circular. Known risk factors include, among others: our statement of financial position, as well as the value of our core technologies, business operations and asset holdings may be significantly weaker than we currently estimate; our operating results are expected to fluctuate; we derive a substantial part of our revenue from a few large customers; a small number of our shareholders control us; sale of common shares by our controlling shareholders could cause the share price to fall; volatility in our common share price; dilution from exercise of stock options or settlement of performance share units; liquidity of common shares; our share price shall fluctuate; we may be unable to deliver products associated with key contracts; failure to manage our business or growth successfully may adversely affect our operating results; if we cannot meet our customers' requirements for manufacturing capacity, sales may suffer; our success depends on our ability to develop new products and enhance our existing products; we continue to adapt content delivery products to add features allowing deployments to cable, IPTV, and Internet CDN providers to enable multi-screen video delivery; the failure to execute on this transition or execute quickly enough, shall adversely affect our business; if content providers, such as movie studios, limit the scope of content licensed for use in the digital content delivery market, our business, financial condition and results of operations could be negatively affected because the potential market for its products would be more limited than it currently believes; we are dependent on the expansion of our current distribution channels and the development of new distribution channels; the budgeting cycles of larger cable operators can also result in quarter-to-quarter variability in customer orders generally large in volume, while availability of parts and production capacity can influence the timing of product deliveries; our operations depend on information technology systems, which may be disrupted or may not operate as desired; our ability to recruit and retain management and other qualified personnel is crucial to our business; if we are required to change our pricing models to compete successfully, our margins and operating results may be adversely affected; our reliance on third party suppliers and contract manufacturers reduces our control over our performance; if our intellectual property is not adequately protected, we may lose our competitive advantage; we utilize open source software, which could enable our competitors to gain access to our source code and distribute it without paying us any license fees; we have software license agreements covering the use of our software as combined with software provided by specific key integrated circuit vendor(s) and the associated integrated circuits provided by those vendor(s), failure to maintain these agreements or maintain them with commercially reasonable terms could limit our ability to market certain products and affect our business; successful warranty or product liability claims could harm our business; acquisitions could divert management's attention and financial resources, may negatively affect our operating results and could cause significant dilution to shareholders; there are risks associated with our international operations; impacts to trade relationships between the United States and China may adversely affect Vecima's profitability; currency fluctuations may adversely affect us; changes in interest rates on debt securities may adversely affect us; growth in our key markets may not continue; our inability to adapt to technological change, new products and standards could harm our business; increased competition could have an adverse effect on our business; competition from new

or existing technologies may adversely affect our business; the cable and telecommunications industries are experiencing consolidation, which could result in delays or reductions in purchases of products and services, which could have a material adverse effect on Vecima's business; government regulation of our products and new government regulation could harm our business; third parties may allege that we infringe on their intellectual property; we may be subject to liability if private information supplied to our customers is misused; and epidemics, pandemics or other public health crises, including the current outbreak of COVID-19. A more complete discussion of the risks and uncertainties facing us is disclosed under the heading "Risks and Uncertainties and COVID-19" above and under the heading "Risk Factors" in our Annual Information Form for our most recently completed fiscal year, as well as in our continuous disclosure filings with Canadian securities regulatory authorities available at [www.sedar.com](http://www.sedar.com).

All forward-looking information in this Information Circular is qualified in its entirety by this cautionary statement and Vecima disclaims any obligation to revise or update such forward-looking information to reflect future results, events, or developments, except as required by law.

## ABOUT THE MEETING

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### SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the management of the Corporation for use at the meeting of shareholders of the Corporation to be virtually held on **Monday, December 13, 2021 at 10:00a.m. (Victoria time)** (the “**Meeting**”) and any adjournment thereof at the time and place and for the purposes set forth in the Notice of Meeting. While it is expected that the solicitation shall be primarily by mail, the directors and regular employees of the Corporation may solicit proxies personally, by telephone or by other means of communication. All costs of solicitation shall be borne by the Corporation.

### SHARE INFORMATION

As of November 8, 2021, the Corporation has issued and outstanding 23,076,376 fully paid and non-assessable common shares of the Corporation (“**Shares**”), each Share carrying the right to one vote. The Corporation has no other classes of voting securities.

Any registered holder of Shares (a “**Shareholder**”) at the close of business on November 8, 2021, either personally attends the Meeting or who has completed and delivered a Form of Proxy in the manner and subject to the provisions described below shall be entitled to vote or to have his or her Shares voted at the Meeting.

To the knowledge of the directors and executive officers of the Corporation, the only person who beneficially owns, or controls or direct, directly, or indirectly, Shares carrying 10% or more of the voting rights attached to all outstanding Shares is:

Name	Number of Shares <sup>(1)</sup>	Percentage of Total outstanding
Dr. Surinder Kumar <sup>(1)</sup>	13,662,293 <sup>(1)(2)</sup>	59.20%

#### NOTES:

<sup>(1)</sup> The information as to the Shares beneficially owned, or controlled or directed, directly or indirectly, not being within the knowledge of the Corporation has been based solely upon reports filed on the System for Electronic Disclosure by Insiders (SEDI) at [www.sedi.ca](http://www.sedi.ca) as of November 8, 2021.

<sup>(2)</sup> 13,559,813 of these Shares are indirectly owned through 684739 B.C. Ltd

### HOW TO PHONE INTO MEETING

Participant / Guest (Toll-Free): 877-407-6176 INCOMM EVENT 16

Participant / Guest (Toll): 201-689-8451 INCOMM EVENT 16

### HOW TO LINK TO WEBCAST TO SEE PRESENTATION AFTER MEETING:

<https://78449.themediaframe.com/dataconf/productusers/vcn/mediaframe/47394/indexl.html>

### HOW TO VOTE

Only a Shareholder whose name appears on the certificate(s) representing its Shares (a “Registered Shareholder”) or its duly appointed proxy nominee is permitted to vote at the Meeting. A Shareholder is a non-registered shareholder (a “**Non-Registered Shareholder**”) if its Shares are registered in the name of an intermediary, such as an investment dealer, brokerage firm, bank, trust corporation, trustee, custodian, administrators of self-administered RRSPs, RRIFs, RESPs and similar plans or other nominee, or a clearing agency in which the intermediary participates (each, an “Intermediary”). Accordingly, most Shareholders are “Non-Registered Shareholders” because the Shares they own are not registered in their names but are instead registered in the name of the Intermediary through which they purchased the Shares. More particularly, a person is a Non-Registered Shareholder in respect of Shares which are held on behalf of that person, but which are registered either: (a) in the name of an Intermediary that the Non-Registered Shareholder deals within respect of the Shares; or (b) in the name of

a clearing agency (such as The Canadian Depository for Securities Limited (“CDS”) of which the Intermediary is a participant. In Canada, most of such Shares are registered under the name of CDS, which acts as nominee for many Canadian brokerage firms. Shares so held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Non-Registered Shareholder. Without specific instructions, Intermediaries are prohibited from voting Shares held for Non-Registered Shareholders.

Registered Shareholders can vote their Shares in the following ways:

1. By Mail: Please complete, sign, and return the enclosed form of proxy by mail to:  
Computershare Investor Services Inc.  
100 University Ave, 8<sup>th</sup> Floor  
Toronto, Ontario  
M5J 2Y1
2. By Telephone: Shareholders based in Canada, or the United States vote by telephone by calling 1-866-732-8683. You will need to enter your 15-digit control number (located on the bottom left corner of the first page of the form of proxy) to identify yourself as a Shareholder on the telephone voting system.
3. Internet Voting: You may vote over the internet by going to [www.investorvote.com](http://www.investorvote.com). You will need to enter your 15-digit control number (located on the bottom left corner of the first page of the form of proxy) to identify yourself as a Shareholder on the voting website.
4. **Online during the Meeting: Shareholders’ dial-in the participant number above, and when connected, an operator will collect your name (to ensure that you are indeed a Shareholder) and place the Shareholder directly into the call. For telephone voting during the Meeting, no special code is needed, the telephone operator will read instructions to the online Shareholder and the Shareholders will press \*1 on their telephone keypad to “raise their hand” to effect the vote.**

The Corporation encourages Shareholders to vote in advance of the Meeting using either the form of proxy or the voter instruction form mailed to them with the Meeting materials and submitting them by no later than 10:00 a.m. (PST) on Thursday, December 9, 2021. Non-Registered Shareholders will receive voting instructions from the Intermediary (usually a bank, trust corporation, broker, securities dealer, or other financial institution) through which they hold their Shares. Please follow the instructions provided on your voting instruction form to vote your Shares.

The individuals named in the Form of Proxy are directors and/or officers of the Corporation. **A Shareholder wishing to appoint some other person (who need not be a Shareholder) to represent him or her at the Meeting has the right to do so, either by inserting such person’s name in the blank space provided in the Form of Proxy and striking out the two printed names or by completing another Form of Proxy.** In either case, to be valid, a proxy must be dated and signed by the Shareholder or by the Shareholder’s attorney authorized in writing. In the case of a corporation, the proxy must be signed by a duly authorized officer of, or attorney for, the Corporation.

A proxy shall not be valid unless the completed, dated, and signed Form of Proxy is received by Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, by 10:00 a.m. (PST) on Thursday, December 9, 2021, or not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the time for holding the Meeting or any adjournment thereof or is delivered to the Chair of the Meeting before the time of voting. If a Shareholder who has submitted a proxy attends the Meeting via the webcast and has accepted the terms and conditions when entering the Meeting online, any votes cast by such Shareholder on a ballot will be counted and the submitted proxy will be disregarded. Securities represented by the proxy will be voted or withheld from voting in accordance with the instructions of the securityholder on any ballot that may be called for and that, if the securityholder specifies a choice with respect to any matter to be acted upon, the securities will be voted accordingly.

Shareholders who wish to appoint a third-party proxyholder to represent them at the online Meeting must submit their proxy or voting instruction form (as applicable) prior to registering their proxyholder. Registering the proxyholder is an additional step once a Shareholder has submitted their proxy/voting instruction form. Failure to register a duly appointed proxyholder will result in the proxyholder not receiving a Username to participate in the online Meeting. To register a proxyholder, Shareholders MUST confirm on or before 10:00 a.m. (PST) on Thursday, December 9, 2021, and provide Computershare Investor Services Inc. (“**Computershare**”) with their proxyholder’s contact information, so that Computershare may provide the proxyholder with a Username via email. Without a Username, proxyholders will not be able to participate online at the Meeting.

A Shareholder who has given a proxy may revoke it by:

1. an instrument in writing executed by the Shareholder or by his or her attorney authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered either to: (i) to Computershare Investor Services Inc., 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, Canada V6C 3B9; or (ii) to the offices of the Corporation, 771 Vanalman Avenue, Victoria, British Columbia, V8Z 3B8, at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof;
2. by sending another proxy form with a later date to Computershare before 10:00 a.m. (PST) on Thursday, December 9, 2021 or at least 48 hours (excluding Saturdays, Sundays, and holidays) before any adjourned or postponed Meeting;
3. by attending the online Meeting and accepting the online terms and conditions; or
4. in any other manner provided by law.

A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

### **INFORMATION FOR NON-REGISTERED (BENEFICIAL) OWNERS OF SHARES**

These Meeting materials are being sent to both registered and non-registered shareholders of the Corporation (the “**Shareholders**”). If you are a non-registered shareholder and the Corporation, or its agent, has sent these materials directly to you, your name, address, and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary/broker holding on your behalf.

Shareholders whose Shares are not registered in their own name are referred to in this Information Circular as “**Beneficial Shareholders**”. There are two kinds of Beneficial Shareholders: those who have objected to their name being made known to the Corporation (called “**OBOs**” for Objecting Beneficial Owners) and those who have not objected (called “**NOBOs**” for Non-Objecting Beneficial Owners).

The Corporation can request and obtain a list of their NOBOs from intermediaries via its transfer agent and can use this NOBO list for distribution of proxy-related materials directly to NOBOs. The Corporation has decided to directly send proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a voting instruction form from the Corporation’s transfer agent, Computershare Investor Services Inc. These voting instruction forms are to be completed and returned to the transfer agent in the postage paid envelope provided or by facsimile. Alternatively, NOBOs can call a toll-free number or access the transfer agent’s dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and vote the Shares held by them. The transfer agent shall tabulate the results of the voting instruction forms received from NOBOs and shall provide appropriate instructions at the Meeting with respect to the Shares represented by voting instruction forms they receive. By choosing to send these materials to you directly, the Corporation (and not the intermediary/broker holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your instructions as specified in the request for voting instructions. NOBOs that wish to attend the Meeting and vote in person (or appoint someone else to attend the Meeting and vote on such NOBOs’ behalf) can appoint themselves (or someone else) as a proxyholder by following the applicable instructions on the voting instruction form.

The Corporation intends to pay intermediaries/brokers to deliver to OBOs Meeting materials for the Meeting. Applicable regulatory policy requires intermediaries/brokers to whom Meeting materials have been sent to seek voting instructions from OBOs in advance of Shareholders’ meetings. Every intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by OBOs to ensure that their Shares are voted at the Meeting. Often, the Form of Proxy supplied to an OBO by its broker is identical to that provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the OBO. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically prepares a special voting instruction form, mails those forms to the OBOs, and asks for appropriate instructions respecting the voting of Shares to be represented at the Meeting. OBOs are requested to complete and return the voting instruction form to Broadridge by mail or facsimile. Alternatively, OBOs can call a toll-free telephone number or access Broadridge’s dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and vote the Shares held by them. Broadridge then tabulates the results of all voting instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. The voting instruction form must be returned as directed by Broadridge well in advance of the Meeting to have the Shares voted. OBOs who receive a form of proxy or voting materials from organizations other than Broadridge should complete and return such form of proxy or voting materials in accordance with the instructions on such materials to properly vote their Shares at the Meeting. OBOs that wish to attend the Meeting and vote in person (or appoint someone else to attend the Meeting and vote on such OBOs’ behalf) can appoint themselves (or someone else) as proxyholder by following the applicable voting instructions.

Beneficial Shareholders are not entitled, as such, to vote at the Meeting in person or to deliver a Form of Proxy. If you are a Beneficial Shareholder and wish to appoint yourself as proxyholder to vote in person at the Meeting or appoint someone else to attend the Meeting and vote on your behalf, please see the voting instructions you received or contact your intermediary/broker well in advance of the Meeting to determine how you can do so. Beneficial Shareholders should carefully follow the voting instructions they receive, including those on how and when voting instructions are to be provided, to have their Shares voted at the Meeting.

## **NOTICE AND ACCESS**

The Corporation is not sending proxy-related materials to Registered Shareholders or Beneficial Shareholders using the “notice-and-access” provisions of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* or National Instrument 51-102 – *Continuous Disclosure Obligations*.

## **EXERCISE OF DISCRETION**

The management representatives designated in the enclosed Form of Proxy shall vote or withhold from voting the Shares in respect of which they are appointed proxy on any ballot that may be called for in accordance with the instructions of the Shareholder as indicated on the Form of Proxy and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares shall be voted accordingly. Where no choice is specified in the Form of Proxy, such Shares shall be voted “for” the matters described therein and in this Information Circular. The enclosed Form of Proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. If amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the management representatives designated in the enclosed Form of Proxy to vote in accordance with their best judgment on such matters or business. At the date of this Information Circular, the management of the Corporation knows of no such amendment, variation or other matter that may be presented to the Meeting.

## **APPROVAL OF RESOLUTIONS**

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein.

## **BUSINESS OF THE MEETING**

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### **PRESENTATION OF FINANCIAL STATEMENTS**

The consolidated financial statements of Vecima for the fiscal year ended June 30, 2021, including the auditors’ report thereon, shall be presented at the Meeting. Such financial statements and auditors’ report, together with management’s discussion and analysis, were made available to Shareholders in advance of the Meeting at [www.sedar.com](http://www.sedar.com) and [www.vecima.com](http://www.vecima.com) and were mailed to applicable Shareholders with the Notice of Meeting. In accordance with provisions of the *Canada Business Corporations Act*, the financial statements and the auditors’ report thereon shall not be the subject of any vote at the Meeting.

### **REAPPOINTMENT OF AUDITOR**

At the Meeting, the Shareholders shall be called upon to appoint Grant Thornton LLP, Chartered Accountants, as auditors of Vecima, to hold office until the next Annual Meeting of Shareholders, and to authorize the directors to fix their remuneration. Grant Thornton LLP has acted as the auditors of Vecima since December 6, 2018.

The Board of Directors of Vecima (the “**Board**”) unanimously recommends that the Shareholders vote for the appointment of Grant Thornton LLP, Chartered Accountants, as auditors of Vecima, and to authorize the directors to fix their remuneration. Unless such authority is withheld, the management representatives named in the accompanying Form of Proxy intend to vote for the appointment of Grant Thornton LLP, Chartered Professional Accountants, as auditors of Vecima, to hold office until the next Annual Meeting of Shareholders, and to authorize the directors to fix their remuneration.

### **SETTING THE NUMBER OF DIRECTORS**

Shareholders shall be called upon to approve an ordinary resolution setting the number of directors of Vecima at six. The Board unanimously recommends that the Shareholders vote for setting the number of directors of Vecima at six.

## ELECTION OF THE BOARD

Management proposes to nominate six persons for election as a director at the Meeting; the six nominees being Surinder Kumar, T. Kent Elliott, Sumit Kumar, Danial Faizullahoy, Derek Elder, and James A. Blackley. The term of office of each of the current directors expires at the close of the Meeting. Each director elected at the Meeting shall hold office until the next Annual General Meeting of Shareholders or until a successor is duly elected or appointed unless the office is earlier vacated in accordance with the bylaws of Vecima or with the provisions of the *Canada Business Corporations Act*.

## INFORMATION ABOUT VECIMA'S DIRECTOR NOMINEES

The following tables set out the names of the nominees for election as directors, as well as other pertinent information, including biographical information, the province and country in which each is ordinarily resident, the independence of each nominee (within the meaning of *National Instrument 52-110 - Audit Committees*), their principal occupation for the preceding five years, the period of time for which each has been a director of Vecima, Board of Directors committee memberships, attendance record, and the number of Shares of Vecima or any voting securities of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by each nominee (the information as to Shares beneficially owned is not within the knowledge of the management of Vecima and has been furnished by the respective nominees). Additional information regarding director compensation is detailed later in this section.

	<p>Dr. Surinder Kumar founded Vecima in 1988 and was its CEO until his retirement in August 2013. Dr. Surinder Kumar was a professor and holder of the Natural Science and Engineering Research Council's Industrial Chair in Telecommunications at the University of Saskatchewan from 1987 to 1997. From 1982 to 1987, he was Vice President of Research for SED Systems where he was involved in the design of a variety of satellite earth stations. Prior to 1982, he worked with a government research laboratory in India. He received his Bachelor of Engineering degree in electrical communication engineering in 1967 from the India Institute of Science, Bangalore, India and a Masters of Technology degree from the Indian Institute of Technology, Kanpur, India in 1971. His Ph.D. in Electronics Engineering was from Carleton University, Ottawa, Canada where he was a Commonwealth Scholar.</p>			
	<p><b>Board/Committee Memberships</b></p>	<p><b>Attendance During Fiscal Year 2021</b></p>		<p><b>Principal Occupation for preceding five years</b></p>
	<p>Board of Directors (Chair)</p>	<p>5/5</p>	<p>100%</p>	<p>Chairman of Vecima since August 2013.</p>
<p>Surinder G. Kumar British Columbia, Canada Not Independent Director since July 1988</p>	<p>Vecima share ownership: 13,662,293<sup>(1)</sup></p>			
	<p>Mr. Elliott is a 35-year veteran within the Internet security and telecommunication industries. He was the CEO at ForeScout Technologies from January 2003 to December 2009, Interim CEO from July 2014 to February 2015 and Board Member from January 2003 to May 2019. Before ForeScout, Mr. Elliott served as the President and CEO of Vienna Systems, which was acquired by Nokia. At Nokia, he led its Internet Communications Group. At ForeScout he served as Chair of its Nomination and Governance Committee and a member of its Audit Committee. Mr. Elliott was a Chartered Accountant for over 25 years and holds two degrees from Queen's University: a Bachelor of Commerce (Honours) degree majoring in accounting and finance and an M.B.A. with a primary focus on marketing and strategic planning.</p>			
	<p><b>Board/Committee Memberships</b></p>	<p><b>Attendance During Fiscal Year 2021</b></p>		<p><b>Principal Occupation for preceding five years</b></p>
	<p>Board of Directors Audit Committee CGCC</p>	<p>5/5 4/4 4/4</p>	<p>100% 100% 100%</p>	<p>Retired.</p>
<p>T. Kent Elliott British Columbia, Canada Independent Director since August 2015</p>	<p>Vecima share ownership: 5,000<sup>(1)</sup></p>			

	<p>Sumit Kumar is the President and CEO of Vecima Networks Inc. Since joining Vecima in 1995, Mr. Kumar worked in the R&amp;D department on the architecture and development of EdgeQAM and WiMAX products, as well as within the business development and senior management groups. With his significant technical and executive experience, Mr. Kumar works closely with the senior management team and the Board of Directors to develop and execute the overall strategy for Vecima. He holds a Bachelor of Electrical Engineering degree and a Bachelor of Computer Science degree from the University of Saskatchewan.</p>																				
<p>Sumit Kumar British Columbia, Canada Not Independent Director since December 2016</p>	<table border="1"> <thead> <tr> <th>Board/Committee Memberships</th> <th colspan="2">Attendance During Fiscal Year 2021</th> <th>Principal Occupation for preceding five years</th> </tr> </thead> <tbody> <tr> <td>Board of Directors</td> <td>5/5</td> <td>100%</td> <td>Chief Executive Officer and President of Vecima.</td> </tr> <tr> <td colspan="4">Vecima share ownership: 132,495<sup>(1)</sup></td> </tr> </tbody> </table>	Board/Committee Memberships	Attendance During Fiscal Year 2021		Principal Occupation for preceding five years	Board of Directors	5/5	100%	Chief Executive Officer and President of Vecima.	Vecima share ownership: 132,495 <sup>(1)</sup>											
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	<p>Mr. Elder is Strategic Advisor to the CEO for Sercomm Corporation as of July 1, 2021. He was President, Sercomm Technology Inc. from May 2018 to June 2021. He was President, CEO and Director of Concurrent Computer Corporation, and held a variety of executive roles at ARRIS Group, Inc. including as Senior Vice President &amp; General Manager of the DOCSIS CPE &amp; Retail business unit, Senior Vice President of Product Management and Marketing of the Broadband Communications Systems Division, and Senior Vice President of North American Sales. Prior to ARRIS, Group Inc., Mr. Elder was a technology and business leader at Tropic Networks, Cisco Systems, and Narad Networks, Inc. Mr. Elder is also a current Director of Zoom Telephonics, Inc. He holds a Bachelor of Science in Business Administration degree from the University of Maryland University College and a Master of Business Administration degree from the Pennsylvania State University.</p>																				
<p>Derek Elder Florida, USA Independent Director since August 2018</p>	<table border="1"> <thead> <tr> <th>Board/Committee Memberships</th> <th colspan="2">Attendance During Fiscal Year 2021</th> <th>Principal Occupation for preceding five years</th> </tr> </thead> <tbody> <tr> <td>Board of Directors</td> <td>5/5</td> <td>100%</td> <td rowspan="3">Current Strategic Advisor to the CEO since July 2021, and Former President, Sercomm Technology Inc. from May 2018 to June 2021. Prior to that, Mr. Elder was President, CEO, and Director of Concurrent Computer Corporation.</td> </tr> <tr> <td>Audit Committee</td> <td>4/4</td> <td>100%</td> </tr> <tr> <td>CGCC</td> <td>4/4</td> <td>100%</td> </tr> <tr> <td colspan="4">Vecima share ownership: 50,000<sup>(1)</sup></td> </tr> </tbody> </table>	Board/Committee Memberships	Attendance During Fiscal Year 2021		Principal Occupation for preceding five years	Board of Directors	5/5	100%	Current Strategic Advisor to the CEO since July 2021, and Former President, Sercomm Technology Inc. from May 2018 to June 2021. Prior to that, Mr. Elder was President, CEO, and Director of Concurrent Computer Corporation.	Audit Committee	4/4	100%	CGCC	4/4	100%	Vecima share ownership: 50,000 <sup>(1)</sup>					
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 <p>James A. Blackley New York, USA Independent Director since December 2020</p>	<p>James Blackley served as Executive Vice President, Advisor to the CEO to Charter until June 30, 2020. Jim joined Charter as Executive Vice President, Engineering, and Information Technology in 2012 and transitioned to his most recent role in 2019. During his tenure at Charter Jim oversaw the IT and Advanced Engineering teams, working with Product and Network Management to design, certify and implement next generation services and technology solutions. After Charter's 2016 transactions with Time Warner Cable and Bright House Networks closed, he led the rapid and successful integration of three companies into a single 'virtualized' infrastructure using Charter's in-house designed and built Service Delivery Platform. Jim joined Charter in 2012 after serving 16 years at Cablevision, most recently as Executive Vice President for Corporate Engineering and Technology. Prior to joining Cablevision in 1996, Mr. Blackley designed software and systems with evolving development and technology responsibilities with Royal Insurance, Depository Trust Company, Long Island Lighting Company, Con Edison, and American International Group. He serves as a Director of ActiveVideo Networks, Inc.</p>			
	Board/Committee Memberships		Attendance During Fiscal Year 2021	Principal Occupation for preceding five years
	Board of Directors	5/5	100%	Former Executive Vice President, Advisor to the CEO to Charter. Jim joined Charter as Executive Vice President, Engineering, and Information Technology in 2012 and transitioned to his current role in 2019 until June 2020.
Vecima share ownership: 0 <sup>(1)</sup>				

**NOTE:**

<sup>(1)</sup> The information as to the Shares Beneficially owned, or controlled or directed, directly or indirectly, not being within the knowledge of Vecima has been based solely upon reports filed on the System for Electronic Disclosure by Insiders ("SEDI") at www.sedi.ca, on November 8, 2021.

Unless such authority is withheld, the management representatives named in the accompanying Form of Proxy intend to vote for the election of the director nominees whose names are set forth herein.

**Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

None of the proposed nominees for election as a director of Vecima:

1. is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, CEO, or CFO of any company (including Vecima) that:
  - a. was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, which order was in effect for a period of more than 30 consecutive days (an "Order") that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or
  - b. was subject to an Order that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO;
2. is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director or executive officer of any company (including Vecima) 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
3. has, within the 10 years before the date of this Information Circular, 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 proposed director.

## Majority Voting Policy

The Board have adopted a policy (the “Majority Voting Policy”) providing for majority voting in director elections at any meeting where an “uncontested election” of directors is held. An “uncontested election” is an election where the number of nominees for election as directors is equal to the number of directors to be elected. Pursuant to the Majority Voting Policy, the forms of proxy circulated in connection with a meeting of Shareholders at which an election of directors is conducted shall provide Shareholders with the ability to vote in favour of, or to withhold from voting for, each director nominee. If the number of proxy votes withheld for a particular director nominee is greater than the votes in favour of that nominee, the director nominee is required to submit his or her resignation to the Chair of the Board. Following receipt of a resignation, the CGCC shall consider whether to accept the offer of resignation and recommend to the Board whether to accept it. Within 90 days following the applicable meeting of Shareholders, the Board is required to decide whether to accept the offer of resignation and to publicly disclose its decision, or not. If a resignation is accepted, the Board may, in accordance with Vecima’s bylaws and the Canada Business Corporations Act, appoint a new director to fill the vacancy created by the resignation, reduce the size of the Board, leave the vacancy open, call a special meeting to fill the vacancy, or any combination of the foregoing. If any director who received a greater number of proxy votes withheld than votes in favour of such director’s election does not tender his or her resignation in accordance with the Majority Voting Policy, he or she shall not be nominated by the Board.

## Director Compensation

Effective September 25, 2017, Vecima pays to each director an annual retainer of \$25,000 and a fee of \$1,000 for each full-day meeting attended in person, \$500 for each half-day meeting attended in person, \$500 for each meeting of 2 hours or more attended by telephone, and \$500 for each meeting of one to two hours attended by telephone. The Chairman of the Board receives an additional retainer of \$10,000, the Lead Independent Director receives an additional retainer of \$4,000, the Audit Committee Chair receives an additional retainer of \$5,000, and the Compensation and CGCC Chair receives an additional retainer of \$3,000. Directors are reimbursed for reasonable expenses incurred for Board of Director related activities.

The directors’ compensation plan provides that all directors of Vecima receive an annual retainer in cash and an annual grant of 1,000 options to purchase Shares under Vecima’s stock option plan, as amended (the “**Stock Option Plan**”). An initial grant of 5,000 stock options is provided to each independent director following their appointment to the Board. The following table sets forth details of all compensation provided to the directors, other than a director who is also a NEO (as defined herein), for Vecima’s most recently completed fiscal year.

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
Surinder Kumar <sup>(1)</sup>	37,500	-	-	-	-	27,972	65,472
T. Kent Elliott	36,500	-	-	-	-	-	36,500
Sumit Kumar	-	-	-	-	-	-	-
Danial Faizullabhoy	38,759	-	-	-	-	-	38,759
James Blackley	10,642	-	-	-	-	-	10,642
Derek Elder	35,735	-	-	-	-	-	35,735

### NOTE:

<sup>(1)</sup> “**All Other Compensation**” represents compensation Dr. Surinder Kumar received in his capacity as a consultant to Vecima.

The following table sets forth details of all option-based awards outstanding for the directors, other than a director who is also a NEO, at the end of the most recently completed fiscal year ended June 30, 2021, including option-based awards granted in prior years. No share-based awards were outstanding for such directors at the end of the most recently completed fiscal year.

Option-Based Awards at the end of the most recently completed fiscal year ended June 30, 2021				
Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) <sup>(1)</sup>
Danial Faizullabhoy	5,000	10.69	02/14/2023	27,800
	1,000	9.10	10/03/2024	7,150
	1,000	8.25	09/24/2025	8,000
	1,000	12.30	09/29/2026	3,950
T. Kent Elliott	5,000	10.10	09/30/2021	30,750
	1,000	10.15	06/30/2022	6,100
	1,000	9.10	10/03/2024	7,150
	1,000	8.25	09/24/2025	8,000
	1,000	12.30	09/29/2026	3,950
Derek Elder	5,000	9.10	10/03/2024	35,750
	1,000	8.25	09/24/2025	8,000
	1,000	12.30	09/29/2026	3,950
James Blackley	5,000	13.89	12/17/2026	11,800

**NOTE:**

<sup>(1)</sup> The aggregate value of the unexercised in-the-money options is based on the difference between the closing market price of the Shares on the Toronto Stock Exchange on June 30, 2021, being \$16.25, and the exercise price of the options. The aggregate value includes unvested options that may never vest.

The following table sets forth details of the value vested or earned by the directors, other than a director who is also a NEO, for option-based awards, share based awards, and non-equity incentive plan compensation for the most recently completed fiscal year ended June 30, 2021.

Name	Option-Based Awards – Value Vested During the Year (\$) <sup>(1)</sup>	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Vested During the Year (\$)
Danial Faizullabhoy	6,070	-	-
T. Kent Elliott	3,562	-	-
Derek Elder	7,562	-	-
James Blackley	-	-	-

**NOTE:**

<sup>(1)</sup> The aggregate value of option-based awards vested during the year is based on the difference between the closing market price of the Shares on the Toronto Stock Exchange on the date the options vested and the exercise price of the options.

## Directors and Officers Insurance

Directors and officers are covered under Vecima's directors' and officers' insurance policies. The aggregate limit of liability under the policies is \$20 million inclusive of defence costs. Vecima's bylaws also provide for the indemnification of Vecima's directors and officers from and against liability and costs in respect of any action or suit against them in connection with the execution of their duties of office, subject to certain limitations. Vecima has also agreed to indemnify and save individual directors and officers harmless of, from and against any claims made personally against them, under an indemnity agreement.

## OTHER BUSINESS

Management of Vecima knows of no matters to come before the Meeting other than those referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of management's representatives named in the Form of Proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

## INFORMATION ON EXECUTIVE COMPENSATION

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### COMPENSATION DISCUSSION AND ANALYSIS

#### Compensation Governance

The Board has established a Corporate Governance and Compensation Committee ("**CGCC**"). **Following the Meeting the CGCC shall be composed of three members being T. Kent Elliott, Danial Faizullahoy, and Derek Elder.** All the members of the CGCC are "**independent**" directors within the meaning of *National Instrument 52-110 – Audit Committees*.

The (i) direct experience of each CGCC member that is relevant to the performance of his responsibilities as a committee member, and (ii) skills and experience the CGCC members must make decisions on the suitability of Vecima's compensation policies and practices are described below:

**T. Kent Elliott** – Mr. Elliott has held leadership positions with medium and large companies, including CEO for ForeScout Technologies Inc. from January 2003 to December 2009 and Interim Chief Executive Office from July 2014 to February 2015, President and CEO for Vienna Systems Corporation from 1996 to 1998, Senior Vice-President for Nokia Internet Communications from 1999 to 2002, and various senior positions at Mitel Corporation from 1985 to 1990.

**Danial Faizullahoy** – Mr. Faizullahoy is currently Chief Commercial Officer and Senior Advisor at Glasnostic, and Senior Advisor at Platina Systems providing operational, financial, and strategic advice. He brings more than 20 years of experience in general management, venture capital, and strategic growth of companies. From March 2014 to April 2020, he was the President and CEO of Cypherpath, a Software Defined Infrastructure solution deployed in cyber ranges. From July 2006 through December 2012, Mr. Faizullahoy served as President and CEO of BroadLogic Network Technologies, Inc., a video processing mixed signal semiconductor design and supply. He holds a B.S.E.E. from Norwich University and a M.B.A. from Santa Clara University. Mr. Faizullahoy served on the board of directors of the following private companies: BroadLogic from 1999 to 2012; Matisse Networks, Inc. from 2001 to 2007; Sierra Atlantic, Inc. from 1999 to 2007; and Airtight Networks, Inc. from 2004 to 2007.

**Derek Elder** - Mr. Elder is the current Strategic Advisor to the CEO and former President of Sercomm Technology Inc. Prior to that, Mr. Elder was President, CEO and Director of Concurrent Computer Corporation and held a variety of executive roles at ARRIS Group, Inc. including as Senior Vice President and General Manager of the DOCSIS CPE and Retail Business Unit, Senior Vice President of Product Management and Marketing of the Broadband Communications Systems Division, and Senior Vice President of North American Sales. He holds a Bachelor of Science in Business Administration degree from the University of Maryland University College and a Master of Business Administration degree from Pennsylvania State University.

The responsibilities, powers, and operation of the CGCC are set forth in the committee's mandate, which is available on Vecima's website at [www.vecima.com](http://www.vecima.com). The CGCC's mandate provides that it is responsible for:

1. reviewing management's recommendations on Vecima's compensation policies such as salary ranges, retirement plans, annual incentive bonuses and long-term incentive plans, including equity-based compensation programs and recommend to the Board of Directors;
2. reviewing and approving corporate goals and performance objectives relevant to the CEO of Vecima and evaluating performance of the CEO relative to these corporate goals and objectives;

3. recommending to the Board the base salary, cash incentive bonus, equity-based incentive awards and other compensation for the CEO of Vecima based on the evaluation of the corporate goals and objectives relating to the CEO;
4. setting the compensation of the CEO including plans and programs relating to cash compensation, incentive compensation, equity-based awards and other benefits and perquisites and for reviewing the overall compensation plans and philosophy for the named executive officers;
5. recommending to the Board, on an annual basis, the annual retainer, incentive-based compensation plans, equity-based plans and other compensation for the directors of Vecima;
6. administering any incentive-based compensation plan or equity-based plans; and
7. reviewing executive compensation disclosure before Vecima publicly discloses such information.

### **Named Executive Officers (“NEOs”)**

The five NEOs who were the focus of the Compensation Discussion and Analysis for Fiscal 2021 are:

1. Sumit Kumar, President and CEO
2. Dale Booth, Chief Financial Officer
3. Clay McCreery, Chief Operations Officer
4. Dan Gledhill, Senior Vice President, Global Sales
5. Ryan Nicometo, Senior Vice-President and General Manager, Video & Broadband Solutions

### **Compensation Program Objectives**

Vecima’s compensation program for NEOs is designed to award the following:

1. loyalty to Vecima;
2. strong business performance;
3. aligning Vecima’s interests with those of Vecima’s Shareholders; and
4. strong communication and administrative skills.

### **Elements of Compensation Program**

The compensation of Vecima’s NEOs consists of the following elements:

1. base salary;
2. annual cash incentives;
3. equity-based long-term incentives;
4. contributions to a group registered retirement savings plan (“RRSP”);
5. benefits and perquisites; and
6. termination and change of control arrangements.

#### *Base Salary*

The CGCC believes that competitive base salaries are important in attracting and retaining quality executives and simple to communicate and administer. Base salaries are intended to remunerate NEOs for fulfilling the basic requirements of their position. Base salaries are based upon individual responsibility, expertise, market competitiveness, experience, and contractual commitments. The salary for the CEO is reviewed and recommended annually by the CGCC and approved annually by the Board. The salaries of the remaining NEOs are determined annually by the CEO, in consultation with the CGCC. For Fiscal 2021, the base salaries of the NEOs were adjusted between 0.0 and 4.0%.

#### *Annual Cash Incentives*

Vecima provides the NEOs with annual cash incentives. The CGCC believes that annual incentives are important in attracting and retaining talented executives and motivating executive officers to deliver strong business performance. Annual cash incentives are intended to link a portion of the NEOs’ compensation to Vecima’s performance.

The annual cash incentive targets and eligible bonuses for the CEO are recommended by the CGCC and approved by the Board annually. The CEO determines the annual cash incentive targets and eligible bonuses for the other NEOs annually, in consultation with the CGCC.

The performance measures for the CEO that were used to determine the annual cash incentive for Fiscal 2021 and the rationale for utilizing those performance measures were:

Performance Measures	Rationale
1. Revenue	Maintain and grow revenue
2. Adjusted EBITDA after deferred development costs	Key indicator of ability to generate cash flow
3. Strategic	Focused on future company direction and growth
4. Operational	Tactical goals to grow profitability
5. Leadership	Focused on future company direction and growth
6. Mergers and Acquisitions	Growth

Actual fiscal 2021 performance against the established performance measures is summarized in the table below:

CEO - Annual Cash Incentive				
		Performance Target	Amount as % of Base Salary	% Bonus Calculated
1.	Revenue	\$98.7M - \$132.7M	0% - 24.0%	13.83%
2.	Adjusted EBITDA <sup>(1)</sup> after deferred development costs	\$6.8M - \$12.0M	0% - 32.0%	0.0%
3.	Strategic, Operational, and Leadership	Subject to specific KPIs <sup>(2)</sup>	0% - 12.0%	12.0%
4.	Mergers and Acquisitions	As determined by the Board	10.0%	10.0%
5.	Discretionary	As determined by the Board	-	0.0%
<b>TOTAL</b>				<b>35.83%</b>

**NOTES:**

<sup>(1)</sup> The term Adjusted EBITDA refers to net income or net loss as reported in the IFRS financial statements, excluding any amounts included in net income or net loss for income taxes, interest expense, depreciation and amortization for property, plant and equipment ("PP&E"), right of use assets, deferred development and intangible assets, and gains and losses on sale of PP&E, intangible assets, and assets held for sale; impairment of PP&E; impairment of deferred development costs and other intangible assets; restructuring costs; and share based compensation expense. Adjusted EBITDA after deferred development costs takes the calculation above and deducts the deferred development costs as disclosed separately in the statement of cash flows.

<sup>(2)</sup> Specific KPIs, include objective KPIs: inventory reduction, retaining new customers, closing of M&A transactions, introduction of new products; and subjective KPIs: pursuing new M&A transactions or material transactions that would have an impact on Vecima's strategy, revenue growth, and shareholder value.

Fiscal 2021 cash incentives that could have been earned by the CEO ranged from zero to 78.0% of base salary based on the four performance measures above. The CEO was awarded a cash bonus based on achievement of performance measures equal to 35.83% of base salary that is \$104,530.

Annual cash incentives for the CFO were based on Revenue, Adjusted EBITDA and the KPIs associated with departmental performance. The other NEOs' annual cash incentives were based on Revenue and Gross Margin targets. Vecima made cash incentive payments totaling \$664,529 to the other NEOs for Fiscal 2021.

The CGCC and the CEO, as applicable, can, subject to approval of the Board, exercise discretion to amend annual cash incentives absent attainment of performance goals, or to reduce or increase the size of any amount or payout. The CGCC and the CEO as applicable, can, subject to approval of the Board, also exercise discretion to grant additional annual cash incentives to the NEOs based on such factors that the committee and the CEO, respectively, determines relevant. Cash incentives for the CEO and CFO are paid after the end of the fiscal year, and for the other NEOs, the payments are made quarterly with the final payment, if any, paid after the end of the fiscal year.

### ***Equity-based Long-term Incentives***

Currently the Corporation only grants NEOs one-time stock option grant at the beginning of their Vecima employment, and a one-time PSU grant when the PSU Plan was put into effect. The Corporation provides NEOs equity-based long-term incentive compensation through its Stock Option Plan and PSU Plan. The CGCC believes that equity-based long-term incentives are important in attracting and retaining quality executives, motivating executive officers to deliver strong business performance, and aligning the interests of executives with those of the Shareholders. In the future, additional options or PSUs may be granted to NEOs, taking into consideration their respective past grants; however currently the Corporation has no plans to do so. Details of the Stock Option Plan and PSU Plan are described in this Information Circular under the heading "Securities Authorized for Issuance under Equity Compensation Plans."

### ***Registered Retirement Savings Plan***

Vecima provides the NEOs, on the same basis as other employees of Vecima, with contributions to a group RRSP or 401K as applicable. The CGCC believes that the group RRSP and 401k plans are important in attracting and retaining quality executives and is simple to communicate and administer.

Vecima contributes an amount equal to 3% of the NEO's base salary to the group RRSP. The NEOs can also contribute an additional 0.75% that the Corporation matches to the group RRSP. The NEO can also make additional voluntary contributions to the group RRSP, for total combined contributions up to the legislated government maximums. The group RRSP account is self-directed, with each participating NEO able to choose from among the investment options offered by the administrator of the group RRSP. NEOs are eligible to participate in the group RRSP from the date of hire. Employer contributions to the group RRSP are subject to 100% vesting after the first year of employment and immediate vesting thereafter.

For NEOs residing in the US, Vecima contributes a matching contribution equal to 50% of the first 5% of the NEOs' total compensation to a 401K plan, subject to the annual total compensation limits set by the IRS. The NEO can also make additional voluntary contributions to the 401K, for total combined contributions up to the legislated government maximums. NEOs are eligible to participate in the 401K from the date of their hire. Employer contributions to the 401K plan are subject to 100% vesting after the first year of employment and immediate vesting thereafter.

### ***Benefits and Perquisites***

The CGCC does not believe that benefits and perquisites should represent a significant portion of the compensation package for NEOs. Accordingly, no material benefits or perquisites are currently provided to the NEOs that are not available to other employees of Vecima. Benefits and perquisites presently extended to NEOs include health, long-term disability, dental and group life insurance.

### ***Termination and Change of Control Arrangements***

The CGCC believes that termination and change of control benefits may be necessary to attract and retain quality executives. Termination benefits are appropriate, particularly with respect to a termination without cause since in that scenario, both Vecima and the NEOs have mutually agreed upon termination packages that are in place prior to any termination event that provides the flexibility to make changes in executive management if such change is in Vecima's best interests. Termination and change of control benefits were negotiated and set about comparable benefits granted to executives with similar positions in other similar companies, the experience level of the individual, the complexity of the position and other relevant market factors. For more information on severance and change in control arrangements for the NEOs, see "Employment Agreements and Termination and Change of Control Benefits" below.

### ***Compensation Consultant***

Vecima has not retained a compensation consultant or advisor to assist in determining compensation for any directors or executive officers at any time since Vecima's most recently completed fiscal year, nor has it paid any fees to such a compensation consultant or advisor during the two most recently completed fiscal years of Vecima.

### ***Benchmarking***

No formal benchmarking was used in determining any element of the compensation of the NEOs. Vecima periodically undertakes informal benchmarking against other North American small cap technology companies.

### ***Risks Associated with Vecima's Compensation Policies and Practices***

The CGCC is responsible for overseeing, and has periodically considered, risks associated with Vecima's compensation policies and practices. The practices Vecima uses to identify and mitigate compensation policies and practices that could encourage a NEO or individuals at a principal business unit or division to take inappropriate risks or excessive risks include regular monitoring of the business and requiring approval by the Board of all major corporate decisions. Vecima has not identified any risks arising from Vecima's compensation policies and practices that are reasonably likely to have a material adverse effect on Vecima.

### ***Recovery of Compensation***

Vecima has not developed a policy regarding the adjustment or recovery of awards, earnings, payments, or payables if the performance goal or similar condition on which they are based is restated or adjusted to reduce the award, earnings, payments, or payables.

### ***Financial Instruments***

Vecima has adopted a policy to prohibit NEOs and directors from purchasing financial instruments that are designed to hedge or offset any decrease in the market value of the Corporation's equity securities that are held, directly or indirectly, by the NEO or director.

### ***Significant Changes to Compensation Policies and Practices in Fiscal 2022***

Except as described in this Information Circular, there were no material actions, decisions or policies that were made after June 30, 2021, the end of Vecima's most recently completed fiscal year, that could affect a person's understanding of the NEOs' compensation for the most recently completed financial year. Vecima is not planning to make any significant changes to its compensation policies and practices in fiscal 2022.

### **EMPLOYMENT AGREEMENTS AND TERMINATION AND CHANGE OF CONTROL BENEFITS**

Sumit Kumar entered a renewed employment contract with Vecima effective August 1, 2018 for an indefinite term. Vecima may terminate Mr. Kumar's employment without cause either by providing him with 24 months' working notice, or by giving him immediate notice of termination, continuing to pay his salary for 24 months, and paying him an amount equal to double the amount of his last aggregate annual bonus. The agreement also provides for non-competition covenants in Vecima's favour for a period of 18 months following the termination of employment. In the event of a change of control of Vecima, Mr. Kumar may treat the event as a notice of termination without cause. For the purposes of Mr. Kumar's contract, a "**Change of Control**" means a change in ownership representing 50% or more of the equity ownership of Vecima to a new party except for changes in ownership resulting from new shares offered on a recognized stock exchange and except for changes in ownership resulting from a transaction that takes Vecima private where the current majority shareholder retains ownership and control. If Sumit Kumar were involuntarily terminated by Vecima without cause or resigns with good reason after a change in control of the corporation, his cash payment would be \$827,391.66 upon termination occurring on June 30, 2021.

Dale Booth has an employment agreement with Vecima that allows the Corporation to terminate his employment without cause at any time by providing salary continuation for a period of six months.

Clay McCreery has an employment agreement with the Corporation that allows the Corporation to terminate his employment without cause at any time by providing salary continuation for a period of six months.

Dan Gledhill has an "at will" employment agreement that allows the Corporation to terminate without cause at any time.

Ryan Nicometo has an "at will" employment agreement that allows the Corporation to terminate without cause at any time.

In addition to the foregoing, Vecima's Stock Option Plan provides that immediately after the occurrence of a "Change of Control Event", all-outstanding options that have not vested shall immediately vest. A "**Change of Control Event**" means the entry by Vecima into an agreement with respect to a reorganization, merger, amalgamation or other combination, the completion of which would result in a change of control (any person directly becoming the owner of more than 50% of the voting shares of Vecima), a formal bid the completion of which would result in a change of control, and the determination by the Board that a change of control has occurred. If a "Change of Control Event" occurred on June 30, 2021, the NEOs would receive the following benefits pursuant to options granted to them under the Stock Option Plan.

Name	Benefit <sup>(1)</sup> (\$)
Sumit Kumar	-
Dale Booth	-
Clay McCreery	31,637
Dan Gledhill	-
Ryan Nicometo	12,655

**NOTES:**

<sup>(1)</sup> Aggregate amount based on the difference between the closing market price of the Shares on the Toronto Stock Exchange on June 30, 2021, being \$16.25, and the exercise price of the options for which vesting is accelerated because of a "Change of Control Event".

In addition to the foregoing, the PSU Plan provides that immediately after the occurrence of a "Change of Control Event", 1/3 of the PSUs will vest if the "Change of Control Event" Share price is greater than or equal to \$12.00; 1/3 of the PSUs will vest if the "Change of Control Event" share price is greater than or equal to \$14.25; and 1/3 of the PSUs will vest if the "Change of Control Event" share price is greater than or equal to \$15.90. A "**Change of Control Event**" means the entry by the Corporation into an agreement with respect to a reorganization, merger, amalgamation or other combination, the completion of which would result in a change of control (any person directly becoming the owner of more than 50% of the voting Shares), a formal bid the completion of which would result in a change of control, and the determination by the Board that a change of control has occurred. If a "Change of Control Event" occurred on June 30, 2021, the NEOs would receive the following benefits pursuant to options granted to them under the PSU Plan.

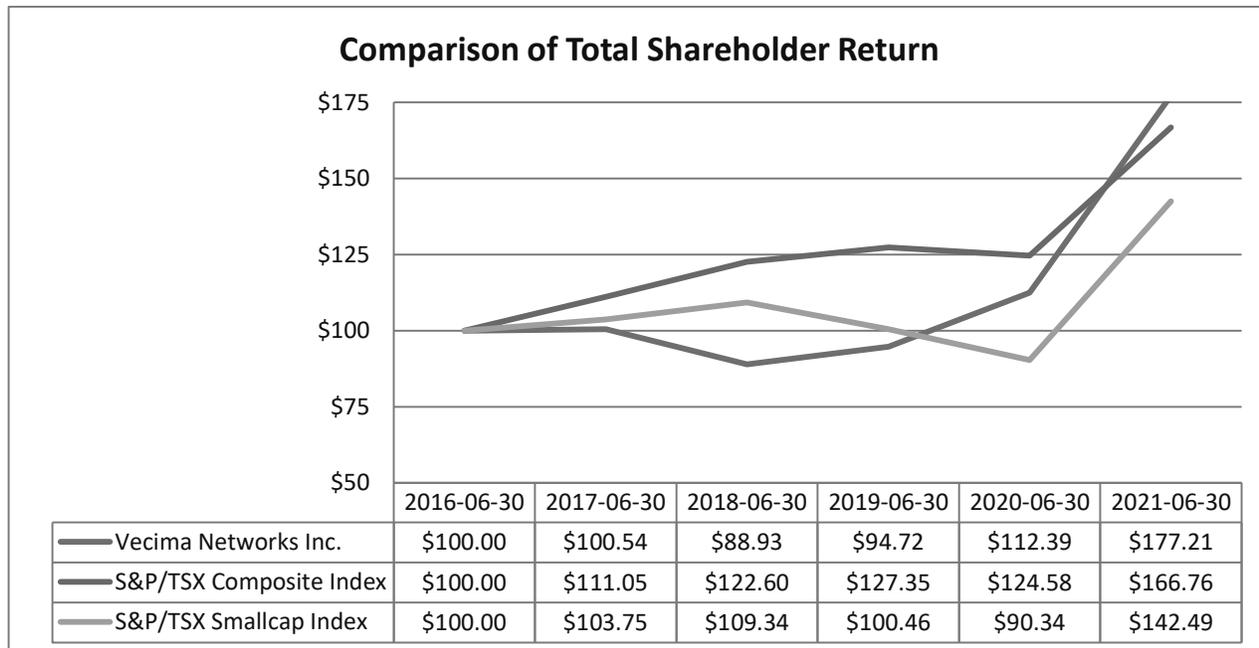
Name	Benefit <sup>(1)</sup> (\$)
Sumit Kumar	441,693
Dale Booth	106,029
Clay McCreery	282,697
Dan Gledhill	123,685
Ryan Nicometo	159,012

**NOTES:**

<sup>(1)</sup> Except as described above, there are no contracts, agreements, plans or arrangements that provide for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary, or constructive), resignation, retirement, a change in control of the Corporation or its subsidiaries or a change in a NEO's responsibilities (excluding perquisites and other personal benefits if the aggregate of this compensation is less than \$50,000).

**PERFORMANCE GRAPH**

The following graph compares the cumulative total return, assuming the reinvestment of dividends and distributions, of Vecima's Shares with the cumulative total return of the S&P/TSX Composite Index and the S&P/TSX Small Cap Index for the five fiscal year period from June 30, 2016 to June 30, 2021. The calculations assume an initial investment of \$100. On June 30, 2021, Vecima's Shares closed at \$16.25 on the Toronto Stock Exchange.



During the five fiscal years completed between June 30, 2016 and June 30, 2021, the cumulative total shareholder return of both S&P/TSX Indexes compares with Vecima's total shareholder return and executive compensation as follows:

The trend shown by the above performance graphs shows:

- 2017: a significant increase in cumulative shareholders' return of Vecima at a time when stock market indices were improving;
- 2018: a significant decline in cumulative total shareholders' return of Vecima at a time when stock market indices were improving;
- 2019: a significant increase in total shareholders' return of Vecima at a time when stock market indices were improving;
- 2020: a significant increase in total shareholders' return of Vecima at a time when stock market indices were declining; and
- 2021: a significant increase in total shareholders' return of Vecima at a time when stock market indices were improving

The trend in executive compensation over the same period shows:

- 2017: an average of 2% increases to base salaries in fiscal 2017, with a total bonus of 11.7% of base salary for the CEO, and total bonuses of up to 10% of base salary for other NEOs based on the achievement of certain performance targets;
- 2018: an average of 1.4% increase to base salaries in Fiscal 2019 for the CEO and CFO. There was no change to the base salary of the remaining NEOs. The 2018 bonus for the CEO was 12.7%; for the CFO it was 10.9%; the remaining NEOs received cash incentives based on successfully meeting revenue targets;
- 2019: an average of 3.1% increase to base salaries in Fiscal 2019 for the CEO and CFO. There was an average increase of 3.3% to the base salary of the remaining NEOs. The 2019 bonus for the CEO was 8.4%; for the CFO it was 11.0%; the remaining NEOs received cash incentives based on successfully meeting revenue targets;
- 2020: no increase to base salary in Fiscal 2020 for the CEO and an average of 4.0% increase to base salary in Fiscal 2020 for the CFO. There was an average increase of 4.3% to the base salaries of the remaining NEOs. The 2020 bonus for the CEO is currently anticipated to be 113.30%; for the CFO it is currently anticipated to be 111.92%; the remaining NEOs received cash incentives based on successfully meeting revenue targets; and

5. 2021: an average of 4% increase to base salary in Fiscal 2021 for the CEO and an average of 3% to base salary in Fiscal 2021 for the CFO. There was an average increase of 4.44% to the base salaries of the remaining NEOs. The 2021 bonus for the CEO is currently anticipated to be 6.88%; for the CFO it is currently anticipated to be 5.78%; the remaining NEOs received cash incentives based on successfully meeting revenue targets.

Vecima has not included market price targets of the common shares as a component of its annual cash contributions.

## SUMMARY COMPENSATION

### Summary Table

The following table sets forth details of all compensation paid during the fiscal years ended June 30, 2021, June 30, 2020, and June 30, 2019, in respect of the individuals who were the CEO, the CFO, and the other three most highly compensated officers or executives on June 30, 2021.

Name and Principal Position	Year	Salary (CDN\$)	Share-Based Awards (\$)	Option-Based Awards (\$) <sup>(1)(2)</sup>	Non-Equity Incentive Plan Compensation (\$)			All Other Compensation (\$) <sup>(4)</sup>	Total Compensation (\$)
					Annual Incentive Plans <sup>(3)</sup>	Long-Term Incentive Plans	Pension Value (\$)		
SUMIT KUMAR Chief Executive Officer	2021	308,720	358,963	-	104,530	-	-	16,114	788,327
	2020	283,250	-	-	121,949	-	-	16,878	422,077
	2019	283,250	-	-	23,793	-	-	23,466	330,509
DALE BOOTH Chief Financial Officer	2021	171,508	86,144	-	22,342	-	-	8,455	289,449
	2020	153,705	-	-	35,087	-	-	11,129	199,921
	2019	136,116	-	-	6,704	-	-	11,946	154,766
CLAY MCCREERY <sup>(5)(6)</sup> Chief Operating Officer	2021	336,307	229,734	-	276,951	-	-	41,881	884,873
	2020	303,515	-	-	307,955	-	-	45,046	656,516
	2019	309,541	-	-	274,171	-	-	35,322	619,034
DAN GLEDHILL <sup>(5)</sup> SVP, Global Sales	2021	239,339	99,883	-	193,278	-	-	43,602	576,102
	2020	206,781	-	-	274,590	-	-	44,211	525,582
	2019	124,288	-	-	296,155	-	-	21,506	441,949
RYAN NICOMETO <sup>(5)</sup> SVP & GM, VBS	2021	282,342	129,229	-	171,959	-	-	1,184	584,714
	2020	283,455	-	-	181,518	-	-	10,118	475,091
	2019	261,466	-	-	192,044	-	-	8,535	462,045

#### NOTES:

(1) The fair value of each option is estimated as at the date of grant using the most widely accepted option pricing model, Black-Scholes.

(2) The options listed vest as follows: 25% on the date of the grant, 25% on June 30, 2021, 25% on June 30, 2020 and 25% on the date following the date Vecima's market capitalization is first at or above \$270 million, which happened on April 18, 2016. See also "Compensation Discussion and Analysis – Elements of Compensation Program – Equity-based Long-term Incentives" above.

- (3) Amounts shown in this column include incentives earned during the year that were paid after fiscal year end.
- (4) Amounts shown in this column include vacation pay payout, health benefit pay, and sick time payout, contributions to RRSP, DPSP, and life insurance premiums.
- (5) Messrs. McCreery, Gledhill, and Nicometo were hired by Vecima on December 31, 2017.
- (6) Clay McCreery was appointed to Chief Operating Officer on July 20, 2021

NEOs have entered into an employment agreement with Vecima. The terms of those employment agreements are discussed under the heading “Information on Executive Compensation - Employment Agreements and Termination and Change of Control Benefits”.

### Option based Awards

The following table sets forth details of all the option-based awards outstanding for the NEOs at the end of the most recently completed fiscal year, including the option-based awards granted to the NEOs in prior years. No share-based awards were outstanding for the NEOs at the end of the most recently completed fiscal year.

Option-based Awards				
Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$) <sup>(1)</sup>
Sumit Kumar	-	8.62	12/22/2020	-
Dale Booth	-	8.62	12/22/2020	-
Clay McCreery	25,000	9.50	01/15/2024	168,750
Dan Gledhill	-	-	-	-
Ryan Nicometo	10,000	9.50	01/15/2024	9,500

#### NOTES:

- (1) The aggregate value of unexercised in-the-money options is based on the difference between the closing market price of the Shares on the Toronto Stock Exchange on June 30, 2021, being \$16.25, and the exercise price of the options. The aggregate value includes unvested options that may never vest.

The following table sets forth details of the value of vested or earned by NEOs for option-based awards, share-based awards, and non-equity incentive plan compensation for the most recently completed fiscal year.

Name	Option-Based Awards – Value Vested During the Year <sup>(1)</sup> (\$)	Share-Based Awards – Value Vested During the Year (\$)	Non-equity Incentive Plan Compensation – Value Earned During the Year (\$)
Sumit Kumar	-	358,963	-
Dale Booth	-	86,144	-
Clay McCreery	1,718	229,734	-
Dan Gledhill	-	100,505	-
Ryan Nicometo	687	129,225	-

#### NOTES:

- (1) The aggregate value of the option-based awards vested during the fiscal year is based on the difference between the closing market price of the Shares on the Toronto Stock Exchange on the date the options vested and the exercise price of the options.

Details of the Stock Option Plan and PSU Plan are described in this Information Circular under the headings “Stock Option Plan” and “Performance Share Unit Plan”, respectively.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out as of June 30, 2021, Vecima's most recently completed fiscal year, information with respect to compensation plans under which equity securities of Vecima are authorized for issuance:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities in Column (a)) (c)
Equity compensation plans approved by security holders <sup>(1)</sup>	125,875	\$ 9.93	2,292,137
Equity compensation plans not approved by security holders <sup>(2)</sup>	390,015	\$15.26	526,840
<b>Total</b>	<b>515,890</b>	<b>\$ 13.96</b>	<b>2,818,977</b>

**NOTES:**

(1) Represents Shares issuable pursuant to the Stock Option Plan.

(2) Represents Shares issuable pursuant to the PSU Plan.

### STOCK OPTION PLAN

The following is a summary of the material terms of the Stock Option Plan. The following does not purport to be a complete description of the Stock Option Plan. The Stock Option Plan was originally adopted on September 15, 2005 and was amended November 12, 2008, December 7, 2011, November 27, 2017, and July 28, 2020 (collectively, the “**Stock Option Plan**”). The Corporation has established a Stock Option Plan pursuant to which options to purchase Shares can be granted to eligible participants to:

1. align the interests of the Corporation and those individuals who share primary responsibility for the management, growth, and protection of the business of the Corporation;
2. recognize the contributions made by certain individuals to the Corporation's growth and development;
3. furnish an incentive to eligible participants to continue providing their services to the Corporation and its affiliates; and
4. provide a means through which the Corporation and its affiliates may attract qualified persons to engage as consultants, officers, directors, and employees.

#### Administration

The Stock Option Plan is administered by the Board, which includes any committee of the Board authorized to act with respect to the Stock Option Plan. The Board have authorized the Corporate Governance and Compensation Committee (“**CGCC**”) to act in respect of the Stock Option Plan. In the summary below, references to the Board refer to the CGCC.

#### Number of Shares and exercise price

The maximum number of Shares that may be issued under the Stock Option Plan is equal to 4% of the Shares outstanding, less the aggregate number of Shares reserved for issuance under any previously established Share Compensation Arrangement.

#### Eligibility

*Eligible participants* - directors, officers, employees and consultants of the Corporation or any affiliate of the Corporation, or a trustee, custodian or administrator acting on behalf of such a person, or the Corporation controlled by such a person or an RRSF or RRIF of such a person are eligible to participate in the Stock Option Plan (a “**Participant**”).

*Maximum number of Shares issuable to Participants* - the maximum aggregate number of Shares, which may, at any time, be:

1. reserved for issuance pursuant to options granted to Insiders under the Stock Option Plan is 4% of the Shares outstanding less the aggregate number of Shares reserved for issuance to Insiders under any Share Compensation Arrangement;
2. issued to Insiders under the Stock Option Plan and any other Share Compensation Arrangement within a one-year period is 4% of the Shares outstanding;

3. issued to any one Insider (and such Insider's associates) under the Stock Option Plan and any other Share Compensation Arrangement within a one-year period is 5% of the Shares outstanding; and
4. reserved for issuance to any one person pursuant to options granted under the Stock Option Plan and under any other Share Compensation Arrangement are 5% of the Shares outstanding.

### **Vesting of Options**

Unless otherwise specified by the Board at the time of granting an option, 25% of the Shares issuable under an option vest on the first anniversary of the date of grant, and one-twelfth of the balance vest at the end of each of the next 12 fiscal quarters. In addition, the Board has the right to accelerate the date upon which any option is exercisable.

### **Term of Options**

The term of options is determined by the Board but may not exceed 10 years from the date of grant. The Board have generally granted options that have a term of six years.

### **Exercise price of options**

The exercise price of each Share purchasable under an option is determined by the Board on the date of grant but may not be less than the closing market price of the Shares on the Toronto Stock Exchange on the last trading day immediately preceding the date of grant.

### **Termination of Option due to change in Employment**

*Treatment of Options on Termination of Employment* - Unless the Board determines otherwise, if a Participant's employment or position is terminated for any reason other than for cause, death, disability, or retirement, any option held by such Participant shall terminate, except that such option may be exercised for the lesser of 90 days or the balance of such option's term.

*Treatment of Options on Termination for Cause* - Unless the Board determines otherwise, if a Participant's employment or position is terminated for cause, any option held by such Participant shall thereupon terminate.

*Treatment of Options on Death, Disability, or Retirement* - Unless the Board determines otherwise, if a Participant's employment is terminated by reason of death, disability, or retirement, any option held by such Participant may thereafter be exercised for a period of 365 days (or such other period as the Board may specify) from the event or until expiration of the option, whatever period is the shorter.

### **Transferability**

Options are not transferable or assignable by the Participant other than by shall or the laws of descent and distribution and are exercisable during the lifetime of a Participant only by the Participant and after death only by the Participant's personal representative, heirs, or administrators.

### **Effect of mergers, amalgamations, arrangements, and similar transactions**

*Treatment of options on Change of Control* (as defined below) - Immediately after the occurrence of a "**Change of Control Event**", all outstanding options that have not vested immediately vest and become exercisable in full. A "**Change of Control Event**" is defined in the Stock Option Plan as:

1. the entry by the Corporation into an agreement with respect to a reorganization, merger, amalgamation or other combination, the completion of which would result in a "**Change of Control**";
2. a "formal bid" (as defined in the *Securities Act* (Ontario)), the completion of which would result in a "**Change of Control**"; and
3. the determination by the Board that a "**Change of Control**" has occurred, other than pursuant to subparagraph (1) or (2) above.

For the Stock Option Plan, a "**Change of Control**" means when any person directly becomes the owner of more than 50% of the voting Shares.

### **Financial Assistance**

There is no financial assistance provided by the Corporation to exercise options granted under the Stock Option Plan. No Shares

may be issued until full payment has been made and a Participant has none of the rights of a Shareholder in respect of the Shares subject to an option until such Shares have been taken up, paid for in full and issued to him or her.

### **Cash Payout**

In lieu of exercising an Option by delivery of the Exercise Notice along with payment of the Exercise Price, the Board may elect, with the written consent of the affected Participant, that the Option to be exercised by such Participant instead be cancelled and that such Participant receive, in lieu of the Shares issuable upon such exercise, a cash amount equal to the excess of the fair market value per Share that may be purchased under the Option being exercised over the corresponding Exercise Price multiplied by the total number of Shares issuable for such Option being exercised at such Exercise Price, less applicable withholdings.

### **Blackout Period**

If an option expires within a self-imposed trading blackout period adopted by the Corporation preventing executive officers, directors, and employees from trading Shares or exercising options, the expiry date shall be the date that is 10 business days after the expiry of the blackout period.

### **Amending Stock Option Plan**

*Amendment provisions* – Shareholder approval to amend the Stock Option Plan or an outstanding option shall be required in circumstances where an amendment to the Stock Option Plan or an outstanding option would:

1. reduce the exercise price of an option held by an Insider;
2. extend the term of an option held by an Insider beyond the original expiration date (subject to such date being automatically extended as the result of the expiration date falling within a black-out period); or
3. increase the fixed maximum percentage of Shares that may be issued pursuant to the Stock Option Plan.

The Board has the right to amend the Stock Option Plan or any outstanding option without Shareholder approval to make any of the following changes:

1. amending the time or times that the Shares subject to each option shall become purchasable by a Participant, including accelerating the vesting terms, if any, applicable to an option or to amend the vesting provisions of the Stock Option Plan;
2. amending the process by which a Participant who wishes to exercise his or her option can do so, including the required form of payment for the Shares being purchased, the form of exercise notice and the place where such payments and notices must be delivered;
3. reducing the exercise price or extending the term of an option, other than an option held by an Insider;
4. amending the terms of the Stock Option Plan relating to the effect of termination, cessation, or death, of a Participant on the right to exercise options (including options held by an Insider);
5. making any amendments of a typographical, grammatical, or clerical nature; and
6. making any amendments necessary to bring the Stock Option Plan into compliance with applicable securities and corporate laws and the rules and policies of the Toronto Stock Exchange.

*Approval by Shareholders* – In accordance with the rules of the Toronto Stock Exchange, the continuance of the Stock Option Plan must be approved by Shareholders at least every three years. The Stock Option Plan was last approved by Shareholders on July 28, 2020.

### **PERFORMANCE SHARE UNIT PLAN**

The following is a summary of the material terms of the Performance Share Unit Plan (“PSU Plan”). The following does not purport to be a complete description of the PSU Plan. The Corporation has established a PSU Plan pursuant to which PSUs can be granted to eligible participants to:

1. align the interests of the Corporation and those individuals who share primary responsibility for the management, growth, and protection of the business of the Corporation;
2. recognize the contributions made by certain individuals to the Corporation’s growth and development;
3. furnish an incentive to eligible participants to continue providing their services to the Corporation and its affiliates; and
4. provide a means through which the Corporation and its affiliates may attract qualified persons to engage as director, officer or employee or affiliate of the Corporation (“**Eligible Persons**”).

## Administration

The PSU Plan is administered by the Board, which includes any committee of the Board authorized to act with respect to such plan. The PSU Plan shall be approved by the Board, and the Board shall, where consistent with the general purpose and intent of the PSU Plan and subject to the specific provisions of the PSU Plan:

1. Grant PSUs;
2. Determine the Eligible Persons to whom PSUs shall be granted and the number of PSUs to be awarded;
3. Determine the time or times at which PSUs shall be granted and shall become capable of settlement;
4. Determine the terms and provisions of the PSUs, including the performance vesting conditions;
5. Interpret and construe the PSU Plan and determine all questions arising out of the PSU Plan and any PSU and make all other determinations necessary or advisable for the administration of the PSU Plan;
6. Establish, adopt, amend, and rescind guidelines, policies, rules, and regulations for carrying out the purposes, provisions, and administration of the PSU Plan;
7. Determine if the Shares that are subject to a PSU will be subject to any restrictions upon the settlement of such PSU; and
8. Prescribe the form of documents relating to the grant, settlement, and other terms of a PSU.

## Number of Shares

The maximum number of Shares that may be issuable under the PSU Plan is equal to 4% of outstanding Shares. The maximum aggregate number of Shares which may, at any time, be:

1. Reserved for issuance pursuant to PSUs granted to insiders under the PSU Plan shall be 8% of the outstanding Shares less the aggregate number of Shares reserved for issuance to insiders under any stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more service providers, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise (any such type of compensation arrangement, a ("**Share Compensation Arrangement**");
2. Issued to Insiders under the Plan and any other Share Compensation Arrangement within a one-year period shall be 8% of the outstanding Shares
3. Issued to any one Insider (and such Insider's Associates) under the Plan and any other Share Compensation Arrangement within a one-year period shall be 5% of the outstanding Shares; and
4. Reserved for issuance to any one person pursuant to PSUs granted under the Plan and under any other Share Compensation Arrangement shall be 5% of the outstanding Shares as at the date of grant of the PSUs.

## Eligibility

PSUs may be granted hereunder to Eligible Persons from time to time by the Board. Eligibility to participate shall not confer upon any Eligible Person any right to be granted PSUs pursuant to the PSU Plan. The extent to which any Eligible Person shall be entitled to be granted PSUs pursuant to the PSU Plan shall be determined in the sole and absolute discretion of the Board. "**Eligible Persons**" means director, officer or employee or affiliate of the Corporation. The Board may from time to time grant to an Eligible Person PSUs. A participant may hold more than one award of PSUs at any time. Subject to, and except as herein and as otherwise specifically provided for in this PSU Plan, the number of Shares subject to each award of PSUs, the expiration date and the vesting conditions applicable to the PSUs and other terms and conditions relating to each such award of PSUs shall be determined by the Board.

## Vesting

PSUs awarded pursuant to the PSU Plan shall vest pursuant to the PSU Agreement.

## Term of PSUs

Except for the resolution passed by the Board with respect to a PSU, the period during which a PSU may vest and become capable of settlement, in whole or in part, shall be such period as the Board may specify but shall not exceed five years from the Date of Grant. PSUs which do not vest and become capable of settlement prior to the date of expiry shall be forfeited for no consideration.

## **Withholding Tax**

The Corporation shall, at its sole discretion issue to the participant the number of Shares that, based on the Market Price on the Vesting Date, have an aggregate value equal to after-tax value of the Vested PSUs (while the Corporation retains, in Shares, the difference in aggregate value between the before-tax value of the Vested PSUs and after-tax value of the Vested PSUs, (the “**Retained Shares**”). The Corporation shall then pay the respective withholding taxes in cash to the relevant American or Canadian tax agencies, as applicable, and the Corporation shall sell the Retained Shares as it sees fit, and in its sole discretion.

## **Termination of PSU Due to Change in Employment**

Except as expressly permitted by the Board, if a participant's employment or position as a director or officer of the Corporation is terminated for any reason, any PSU held by such participant shall thereupon terminate and become null, void and of no effect as of the last day of active employment of the participant with the Corporation or an affiliate (the “**Cessation Date**”). This applies whether the participant received compensation in respect of dismissal or was entitled to a period of notice of termination, which would otherwise have permitted a greater portion of the PSUs to vest with the participant. Except as expressly permitted by the Board, all PSUs will cease to vest as at the Cessation Date. Participants will not be entitled to any compensation in respect of any part of the PSU which was not vested or which may not become capable of settlement.

## **Dividends**

PSUs granted shall not be eligible for dividends.

## **Transferability**

PSUs are not transferable or assignable by the participant other than by shall or the laws of descent and distribution and are exercisable during the lifetime of a participant only by the participant and after death only by the participant's personal representative, heirs, or administrators.

## **Effect of mergers, amalgamations, arrangements and similar transactions**

Change of Control Events, and the effect on PSUs granted to participant shall be solely determined pursuant to the terms of the participant's respective PSU Agreement. For the purposes of the PSU plan, “**Change of Control**” means when any person or corporate entity directly becomes the owner of more than 50% of the voting Shares and “**Change of Control Event**” means the entry by the Corporation into an agreement with respect to a reorganization, merger, amalgamation or other combination, the completion of which would result in a Change of Control.

## **Financial Assistance**

The Corporation shall pay all costs associated with the administration of the PSU Plan, but shall not be responsible for any costs incurred by a participant, including but not limited to brokerage fees and commissions.

## **Settlement and Payout**

As soon as is practicable following a Vesting Date pertaining to a PSU, the Corporation shall issue to the participant a number of Shares equal to the number of vested PSUs. The Corporation may, at its discretion, facilitate (at the expense of the participant) through an independent broker the sale of all or a portion of the Shares issued to the participant in satisfaction of PSUs in order to satisfy any tax withholding requirements.

## **Blackout Period**

If a PSU expires within a self-imposed trading blackout period adopted by the Corporation preventing executive officers, directors, and employees from trading Shares or exercising PSUs, the expiry date shall be the date that is 10 business days after the expiry of the blackout period.

## **Amending PSU Plan**

*Amendments Requiring Shareholder Approval* - in accordance with the rules and policies of the Toronto Stock Exchange, Shareholder approval will be required in circumstances where a proposed amendment or modification to the PSU Plan or an outstanding PSU would:

1. Extend the term of a PSU held by an Insider beyond the original expiration date (subject to such date being automatically

- extended as the result of the expiration date falling within a Blackout Period); or
2. Increase the fixed maximum number of Shares which may be issued pursuant to the PSU Plan.

*Amendments Not Requiring Shareholder Approval* - the Board may amend or modify the PSU Plan or any outstanding PSU without Shareholder approval to make any of the following changes:

1. Amending the time or times that the Shares subject to each PSU will become issuable to a participant, including accelerating the vesting terms, if any, applicable to a PSU or to amend the vesting provisions of the plan;
2. Extending the term of a PSU, other than a PSU held by an Insider;
3. Amending the terms of the PSU Plan relating to the effect of termination, cessation, or death of a participant on the right to settle PSUs (including PSUs held by an Insider);
4. Making any amendments of a typographical, grammatical, or clerical nature; and
5. Making any amendments necessary to bring the PSU Plan into compliance with applicable securities and corporate laws and the rules and policies of the Toronto Stock Exchange.

*Approval by Shareholders* – In accordance with the rules of the Toronto Stock Exchange, the continuance of the PSU Plan must be approved by Shareholders at least every three years. The PSU Plan was last approved by Shareholders on July 28, 2020.

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#### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

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No individual who is, or at any time during Vecima's most recently completed fiscal year was, a director, executive officer or employee of Vecima, no proposed nominee for election as a director of Vecima, and no associate of any such director, executive officer or proposed director is, or at any time during Vecima's most recently completed financial year was, indebted to (i) Vecima or any of its subsidiaries, or (ii) another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Vecima or any of its subsidiaries, other than routine indebtedness or indebtedness that has been entirely repaid on or before the date of this Information Circular.

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#### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

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To the knowledge of Vecima, no informed person of Vecima, proposed nominee for election as a director, or any associate or affiliate of the foregoing, had any material interest, direct or indirect, in any transaction since the commencement of Vecima's most recently completed fiscal year or any proposed transaction that has materially affected or would materially affect Vecima or any of its subsidiaries.

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#### **MANAGEMENT CONTRACTS**

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No management functions of Vecima or any of its subsidiaries are performed to any substantial degree by a person other than the directors or executive officers of Vecima or a subsidiary.

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#### **SHAREHOLDER PROPOSALS**

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Any Shareholder who intends to present a proposal at Vecima's Annual General Meeting of Shareholders must send the proposal to the Secretary of Vecima at 771 Vanalman Avenue, Victoria, British Columbia, V8Z 3B8. For the proposal to be included in next year's Information Circular that management of Vecima sends to Shareholders for that meeting, the proposal: must be received by Vecima no later than July 16, 2022; and must comply with the requirements of section 137 of the *Canada Business Corporations Act*.

Vecima is not obligated to include any shareholder proposal in its Information Circular for the 2022 Annual General Meeting of Shareholders if the proposal is received after the July 16, 2022 deadline.

## ADDITIONAL INFORMATION

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Additional information relating to Vecima can be found on SEDAR at [www.sedar.com](http://www.sedar.com). Additional financial information is provided in Vecima's audited consolidated financial statements and management's discussion and analysis for Vecima's most recently completed fiscal year. A copy of Vecima's financial statements and management's discussion and analysis is available on SEDAR at [www.sedar.com](http://www.sedar.com) or on request from Vecima at its offices located at 771 Vanalman Avenue, Victoria, British Columbia, V8Z 3B8 or by telephone at (250) 881-1982.

**APPROVAL OF BOARD OF DIRECTORS**

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The contents of this Information Circular have been approved and the Directors of Vecima have authorized its mailing.

Dated at Victoria, British Columbia, November 8, 2021

*"Dr. Surinder Kumar"*

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Dr. Surinder Kumar, Chairman and Director

## APPENDIX A - STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Corporate governance is the process and structure used to direct and manage the business and affairs of an issuer with the objective of enhancing value for its shareowners. *National Instrument 58-101 – Disclosure of Corporate Governance Practices* (“**NI 58-101**”) of the Canadian Securities Administrators requires Vecima to disclose in this Information Circular its system of corporate governance.

### COMPOSITION OF THE BOARD OF DIRECTORS

#### *Independence*

The Board of Directors of Vecima (the “**Board**”) consists of six directors, four of whom are independent directors as defined in NI 58-101, meaning that, in each case, he has no direct or indirect relationship with Vecima which could, in the view of the Board of Directors, reasonably be expected to interfere with the exercise of his independent judgment, and is not otherwise deemed not to be independent. Applying the criteria in NI 58-101, each of T. Kent Elliott, Danial Faizullahoy, Derek Elder, and James Blackley is an independent director. Sumit Kumar is not considered to be independent on the basis that he is an executive officer of Vecima. The Chair of the Board of Directors, Dr. Surinder Kumar is not an independent director given his large Vecima shareholdings.

#### *Lead Independent Director*

The current Lead Independent Director is T. Kent Elliott. The Lead Independent Director performs the following functions:

Enhancing Board Effectiveness	Liaison between Directors
<ol style="list-style-type: none"> <li>1. Work with the Chair and Corporate Secretary to ensure the Board has adequate resources.</li> <li>2. Review the procedures in place to allow the Board to work effectively and to function independently from management.</li> <li>3. Provide input to the Chair and Corporate Secretary on the preparation of agendas for Board and Committee meetings.</li> <li>4. Ensure there is a process to implement best practices which relate to the responsibilities of the Board.</li> <li>5. Chair Board meetings when the Chair is unavailable.</li> <li>6. Maintain a close and collaborative relationship with the Chair.</li> <li>7. Assist in orienting and integrating new directors to the Board.</li> </ol>	<ol style="list-style-type: none"> <li>1. In association with regularly scheduled Board meetings, chair meetings of independent directors to discuss issues relating to Vecima’s business without the presence of management or non-independent directors.</li> <li>2. Communicate with the Chair and the entire Board, as appropriate, the results of private discussions among independent directors or the results of meetings of the independent directors.</li> <li>3. Act as a communication channel among the directors and between directors and the Chair in respect of issues not readily or easily discussed in a formal setting.</li> <li>4. Ensure that the Board understands and maintains the boundaries between Board and management responsibilities</li> </ol>

The independent members of the Board believe that the appointment of a **Lead Independent Director**, together with their majority on the Board, their sophistication, and their knowledge of Vecima’s business, are sufficient to facilitate the functioning of the Board independently of management and in a manner that fairly represents the interests of minority shareholders, and to provide for open and candid discussion among the independent directors.

When warranted, the independent directors hold meetings without the non-independent directors and other members of management in attendance and can hold such meetings whenever they wish. The Lead Independent Director chairs these sessions and informs management of the matters discussed to the extent that action on them is required. In the fiscal year ended June 30, 2021, the independent directors held several such meetings. In addition, at each board meeting, the independent directors meet in camera providing the opportunity for open and candid discussion among the independent directors without non-independent directors and members of management present. Since the beginning of the issuer’s most recently completed financial year at which non-independent and members of management are not in attendance the independent board of directors have had five meetings.

## **Attendance**

Additional information on each of the directors is found in this Information Circular under the heading “Business of the Meeting – Election of the Board of Directors”, including a record of each director’s attendance record at Board and committee meetings held during the fiscal year ended June 30, 2021.

## **Other Directorships**

None of the directors of Vecima are directors of other issuers that are reporting issuers (or equivalent) in Canada or elsewhere.

## **BOARD OF DIRECTORS MANDATE**

The Board has adopted a written mandate in which it explicitly acknowledges responsibility for its stewardship of Vecima. The text of the Board’s written mandate is attached to this Information Circular as Appendix B.

## **COMMITTEES OF THE BOARD OF DIRECTORS**

The Board has two standing committees: The Audit Committee and the Corporate Governance and Compensation Committee.

### **Audit Committee**

The Audit Committee currently consists of three directors: T. Kent Elliott, Danial Faizullahoy, and Derek Elder all of whom are independent within the meaning of *National Instrument 52-110 – Audit Committees*. Pursuant to the written charter adopted by the Board (available on Vecima’s website at [www.vecima.com](http://www.vecima.com)), the Audit Committee assists the Board in fulfilling its responsibilities for oversight and supervision of financial and accounting matters. The committee supervises the adequacy of Vecima’s internal accounting controls and financial reporting practices and procedures and the quality and integrity of its audited and unaudited financial statements, including through discussions with Vecima’s external auditors. The committee reviews Vecima’s business plan and operating and capital budgets and is responsible for ensuring efficient and effective assessment of management of financial risk throughout Vecima.

Following the Meeting the Audit Committee shall be composed of three members being **T. Kent Elliott, Danial Faizullahoy, and Derek Elder**. All the audit members of the Audit Committee are “independent” directors within the meaning of *National Instrument 52-110 – Audit Committees*.

Further information relating to the Audit Committee is provided under the heading “Audit Committee Information” in Vecima’s Annual Information Form dated September 23, 2021.

### **Corporate Governance and Compensation Committee (“CGCC”)**

The CGCC currently consists of four directors: T. Kent Elliott, Danial Faizullahoy, and Derek Elder. All members are “independent” within the meaning of *National Instrument 52-110 – Audit Committees*. The Board believes that the appointment of an independent director as chair of the committee and the composition of the committee, all the members of which are independent directors, promotes an objective process to oversee compensation and governance matters. Following the Meeting, **the CGCC shall be composed of three members being T. Kent Elliott, and Danial Faizullahoy** - all are “independent” directors within the meaning of *National Instrument 52-110 – Audit Committees*.

Pursuant to the written charter adopted by the Board (available on Vecima’s website at [www.vecima.com](http://www.vecima.com)), the CGCC is responsible for developing Vecima’s approach to corporate governance issues and advising the Board on filling vacancies on the Board. In addition, it periodically reviews the size, composition and compensation of the Board, the effectiveness of the Board and its members, and appropriate committee structures, mandates, composition, membership, and effectiveness. The committee is responsible for succession planning in respect of the CEO. It also reviews the CEO’s goals and objectives at the start of each year and provides an appraisal of the CEO’s performance for the most recently completed year.

The CGCC also fulfils the compensation review function to ensure that Vecima has a compensation plan that is competitive, motivating and rewarding for participants. Further information relating to the Compensation oversight function of the CGCC, including the process by which the Board is involved in determining compensation for Vecima’s directors and officers, is provided in the Information Circular under the heading “Compensation Discussion and Analysis”.

## **POSITION DESCRIPTIONS FOR THE CHAIR AND CEO**

The Board has adopted a written position description for the Chair of the Board but has not adopted written descriptions for the Chair of the Audit Committee or of the CGCC. The roles and responsibilities of the Chair of the Audit Committee and the CGCC are to implement the mandate of each committee. The Board has adopted a written position description for the CEO.

## **DIRECTOR ORIENTATION AND CONTINUING EDUCATION**

The CGCC is responsible for assisting management with the orientation program for new members of the Board and the education program for all members of the Board.

Vecima has a variety of orientation and education programs in place for current and new directors to ensure directors understand their role and the role of the Board and its committees, as well as the nature and operations of Vecima's business. All new directors receive a Board reference manual containing a record of historical public information about Vecima, as well as the mandates of the Board and its committees, and other relevant corporate and business information. New directors also meet with the lead independent director, the CEO, and the CFO. Senior management makes regular presentations to the Board on the main areas of Vecima's business.

The Board encourages directors to participate at Vecima's expense in continuing education opportunities to ensure that the directors may maintain or enhance the skills necessary to meet their obligations as directors and maintain a current and thorough understanding of Vecima's business.

Vecima typically holds an annual retreat at which members of the Board meet with senior management to discuss items such as Vecima's business, technology, products, services, competitive environment, and strategy as well as the roles and responsibilities of the Board and senior management regarding oversight of items such as strategic direction, risk management, and financial reporting.

## **ETHICAL BUSINESS CONDUCT**

The Board has adopted a written code of business conduct and ethics ("**Code of Conduct**"). A copy of the Code of Business Conduct and Ethics is available on Vecima's website at [www.vecima.com](http://www.vecima.com) or SEDAR at [www.sedar.com](http://www.sedar.com).

Vecima regards maintaining a culture of ethical business conduct as critically important. The Board is responsible for monitoring the Code of Conduct and requires management to assume responsibility for the conduct of those who report to them. This means ensuring that the Code of Conduct is clearly communicated, leading by example, establishing, and maintaining controls designed to prevent or detect breaches, appropriately investigating situations which may indicate a breach and dealing appropriately with known breaches. All known or suspected breaches of the Code of Conduct are required to be reported to the Corporate Secretary of Vecima.

The Code of Conduct requires all directors, officers, and employees of Vecima and its subsidiaries to not have any private interests that interfere or conflict in any way with the interests of Vecima, or impair, or could be perceived to impair, such person's business judgment. Each director is required to inform the CGCC of any conflict of interest he or she may have with Vecima. If a director has a personal interest in a matter before the Board or a committee, he or she must not participate in any vote on the matter except where the Board of Directors or committee has expressly determined that it is appropriate for him or her to do so.

### ***Insider Trading***

Vecima has adopted an Insider Trading Policy to educate and guide employees on their legal obligations surrounding the use of material, non-public information and on trading in its Shares. A copy of the policy is available on Vecima's website at [www.vecima.com](http://www.vecima.com).

### ***Corporate Disclosure***

Vecima has implemented a Confidentiality and Disclosure of Information Policy to educate and guide employees on their legal obligations surrounding the disclosure of confidential corporate information. A copy of the policy is available on Vecima's website at [www.vecima.com](http://www.vecima.com).

## **NOMINATION OF DIRECTORS**

The CGCC is responsible for proposing new nominees to the Board.

In making recommendations to the Board, for the nomination of individuals as directors, the CGCC considers the competencies and skills that the Board considers necessary for the Board to possess. The Committee also considers the competencies and skills that the Board considers each existing director to possess, the competencies and skills each new nominee would bring to the Board, and whether each new nominee can devote sufficient time and resources to his or her duties as a member of the Board. The committee may also make recommendations to the Board with respect to possible director candidates that have the independence and expertise required for effective governance according to applicable regulatory requirements.

#### **BOARD OF DIRECTORS ASSESSMENT**

The CGCC makes recommendations to the Board with respect to the establishment and implementation of procedures to review the contribution of individual directors and the effectiveness of the Board and its committees, including the completion of directors' questionnaires and the dissemination of results to the Board.

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

Vecima has not adopted term limits for directors as the Board believe the imposition of arbitrary term limits may result in an effective director being disqualified and discounts the value of experience and continuity. The CGCC is responsible for assessing the effectiveness of the Board and board renewal is one of the factors the committee utilizes in its evaluation. On an ongoing basis, a balance must be struck between ensuring that there are fresh ideas and viewpoints while not losing the insight, experience and other benefits of continuity contributed by longer serving directors.

#### **DIVERSITY**

The CGCC considers the diversity of the Board, including the level of representation of women, as one of the factors in identifying and nominating candidates for election or re-election to the Board. The other factors that the committee considers are the competencies and skills that the Board considers to be necessary for the Board to possess; the competencies and skills that the Board considers each existing director to possess; the competencies and skills each new nominee shall bring to the Board; and whether each new nominee can devote sufficient time and resources to his or her duties as a member of the Board.

Vecima has not adopted a written policy relating to the identification of women directors. The CGCC is required to annually evaluate the effectiveness of the Board and maintain a succession plan. One of the factors that it considers is diversity, including gender diversity. Other factors that the committee takes into consideration are the current strengths, skills and experience on the Board, any planned retirement dates, and the strategic direction of Vecima. Accordingly, the Board does not believe a written policy relating solely to the identification of directors based upon gender is necessary.

Vecima has not adopted a target regarding women on the Board. Diversity, including gender diversity, is one of the factors that the CGCC considers in identifying and nominating candidates for election or re-election to the Board. The other factors that the committee considers are described above. The CGCC believes all these factors are relevant to ensure high functioning members of the Board and that establishing targets based upon only gender may disqualify desirable director candidates. None of the directors of Vecima are currently women.

Vecima considers diversity in its executive officer positions, including the level of representation of women, as one of the factors in making executive officer appointments. Vecima also considers the skills and experience necessary for the position. Vecima has not adopted a target regarding women in executive officer positions of Vecima. Diversity, including gender diversity, is one of the factors that Vecima considers in identifying executive officers. The other factors that Vecima considers are described above. Vecima believes all these factors are relevant to ensure appropriate executive officers and that establishing targets based upon only gender may disqualify desirable executive officer candidates. Currently, none of the executive officers of Vecima are women.

## APPENDIX B - BOARD OF DIRECTORS MANDATE

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### 1. General

The Board of Directors (“**Board**”) approves the overall policies for Vecima, monitors and evaluates Vecima’s strategic direction, and retains plenary power for those functions not specifically delegated by it to its Committees or to management. Accordingly, in addition to the duties of directors of a Canadian corporation as prescribed by statute, the mandate of the Board is to supervise the management of the business and affairs of Vecima with a view to evaluate, on an ongoing basis, whether Vecima’s resources are being managed in a manner consistent with enhancing shareholder value, and ethical considerations.

### 2. Responsibilities of the Board

#### 2.1 Legal

2.1.1 Develop and maintain a thorough understanding of provincial and federal legislation relevant to the operation of Vecima.

2.1.2 Review policies and procedures to confirm ethical behavior of Vecima and its directors, officers and employees, and compliance with laws and regulations, including compliance with Vecima’s Code of Business Conduct and Ethics.

2.1.3 Ensure adequate implementation of systems to comply with health, safety and environmental policies and compliance with laws and regulations.

2.1.4 Approve the interim financial statements, annual financial statement, management proxy circulars, takeover bid circulars, directors’ circulars, prospectuses, annual information forms and other disclosure documents required to be approved by the directors of a corporation under securities laws, regulations, or rules of any applicable stock exchange.

#### 2.2 Strategy and Policy

2.2.1 Review and approve the Mission Statement of Vecima.

2.2.2 Approve strategy and major policy decisions set forth by management.

2.2.3 Adopt a strategic planning process and approve annual capital and operating plans.

2.2.4 Monitor corporate performance against strategic plans.

2.2.5 Review and approve borrowing requirements and borrowing authority relating to Vecima’s credit facilities.

2.2.6 Review and approve material transactions that:

- are not in the ordinary course of the business,
- differ significantly from Vecima’s strategic plan, or
- involve an acquisition or disposition of any asset valued at more than CAD \$3,000,000.

#### 2.3 Accountability

2.3.1 Ensure that it is properly informed, on a timely basis, of all-important issues relating to developments involving Vecima and its business environment.

2.3.2 Adopt and enforce good corporate governance practices and processes.

2.3.3 Monitor the effectiveness of internal control and management information systems.

2.3.4 Assess annually, the performance, effectiveness, and contribution of the Board and each of its committees including an assessment of the mandates of the Board and each of its committees.

2.3.5 Assess annually, the performance, effectiveness, and contribution of each director, considering any applicable position descriptions as well as the competencies and skills each director is expected to bring to the Board.

2.3.6 Assess annually the independence and financial literacy of each of its members.

2.3.7 Select, appoint, evaluate and, if necessary, terminate the Chief Executive Officer (“CEO”).

2.3.8 Satisfy itself as to the integrity of the CEO and other senior officers of Vecima and as to the culture of integrity throughout Vecima.

2.3.9 Review and approve the succession plan for the CEO and key executives.

2.3.10 Review human resources policies of Vecima in general, including the approval of the compensation of key executive officers.

2.3.11 Adopt and enforce policies and processes to satisfy itself as to the integrity of Vecima’s internal control and management information systems and its financial reporting.

2.3.12 Confirm that an appropriate orientation program is developed for new directors to ensure that all new directors fully understand the role of the Board and its committees, and the contributions Individual Directors are expected to make (including the commitment of time and resources Vecima expects from its directors and that continuing education opportunities are available for all directors).

2.3.13 Approve the signing authority, the duties, and limitations of authority of senior management.

2.3.14 Develop and define a clear position description for each of the Chair of the Board, the Chair of each committee of the Board, and the Lead Independent Director.

## **2.4 Risk Management**

2.4.1 Oversee the implementation of management of risks and implement internal controls.

2.4.2 Identify with management the principal risks of Vecima’s business and the systems put in place to manage these risks as well as monitor the adequacy of such systems.

2.4.3 Approve policies and processes to identify Vecima’s principal business risks, including hedging policies for Vecima, and to confirm that systems are in place to mitigate these risks where prudent to do so.

## **2.5 Other Matters**

2.5.1 Approve a disclosure policy for Vecima to include the following: Disclosure of reliable and timely information to shareholders; and proper communication with shareholders, customers, and governments.

2.5.2 Formally call meetings of shareholders and submit any question or matter requiring approval of the shareholders.

2.5.3 Approve directors for nomination and election and recommend the auditors to be appointed at shareholders’ meetings and fill any vacancy among the directors or in the office of the auditor.

2.5.4 Establish the dividend policy for Vecima.

## **3. Responsibilities of Directors**

3.1.1 Develop and maintain a thorough understanding of Vecima, the markets in which its business is conducted, its financial position, strategic direction, and goals.

3.1.2 Diligently prepare for each meeting, ensuring that all distributed information is read and thoroughly understood.

- 3.1.3 Actively and constructively participate in each meeting, ensuring all relevant issues are given consideration.
- 3.1.4 Request information and clarification from management regarding any relevant aspect of Vecima's affairs as needed.
- 3.1.5 Engage in continued director education as relevant to Vecima.
- 3.1.6 Attendance at Board meetings and any committee meetings of which a director is a member in person or via teleconference.

#### **4. Board Composition**

##### **4.1 Board Membership Criteria**

The Corporate Governance and Compensation Committee ("**CGCC**") is responsible for establishing the competencies and skills that the Board considers to be necessary for the Board to possess, the competencies and skills that the Board considers each existing director to possess, and the competencies and skills each new nominee shall bring to the Board. The CGCC identifies candidates for Board membership based on their character, integrity, judgment and record of achievement and any skills and talents they possess which would add to the Board's decision-making process and enhance the overall management of the business and affairs of Vecima.

Directors must have sufficient time to carry out their duties and not assume responsibilities that would materially interfere with or be incompatible with Board membership. Directors who change their principal occupation are expected to advise the CGCC and, if determined appropriate by the CGCC, resign from the Board.

##### **4.2 Director Independence**

The Board believes that, except during periods of temporary vacancies, not less than half of its members should be Independent Directors.

In all cases, the determination of whether a director is independent must be made by the Board in accordance with applicable securities laws and stock exchange rules. Generally, an Independent Director means a director who has no direct or indirect material relationship with Vecima. For these purposes, "material relationship" means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

In determining a director's independence, the Board shall consider all relevant facts and circumstances, including the director's commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships and such other criteria as the Board may determine from time to time.

The Board shall review the independence of all directors on an annual basis and shall disclose its determinations annually. To facilitate this review, directors shall be asked to provide the Board with full information regarding their business and other relationships with Vecima and its affiliates and with senior management and their affiliates. Directors have an ongoing obligation to inform the Board of any material changes in their circumstances or relationships, which may affect the Board's determination as to their independence.

##### **4.3 Board Size**

The CGCC is responsible for evaluating the effectiveness of the Board size on a regular basis and reporting its analysis and recommendations to the Board.

##### **4.4 Term**

All directors are elected at the annual meeting of shareholders of Vecima and shall hold office until the next annual meeting of shareholders.

##### **4.5 Board Succession**

The CGCC is responsible for maintaining a Board succession plan that is responsive to Vecima's needs and the interests of its shareholders.

##### **4.6 Service on Other Boards and Audit Committees**

The Board does not believe that its members should be prohibited from serving on the boards of other public companies so long as these commitments do not materially interfere with and are compatible with their ability to fulfill their duties as a member

of the Board. Directors must advise the Chair in advance of accepting an invitation to serve on the board of another public company.

## **5. Delegation to Management**

The Board has delegated financial authority to the CEO (who may sub-delegate such authority to others within Vecima as appropriate) for approval of expenditures, all of which must be made within the framework of the strategic plan of Vecima approved by the Board.

## **6. Chair**

### **6.1 Appointment**

The Board shall in each year elect from among its members a Chair.

### **6.2 General**

The Chair is principally responsible for overseeing the operations and affairs of the Board.

### **6.3 Specific Roles and Responsibilities**

6.3.1 Lead, manage and organize the Board, consistent with the approach to corporate governance adopted by the Board from time to time.

6.3.2 Preside as chair at all meetings of the Board and shareholders.

6.3.3 Approve the agenda of the Board and shareholders' meetings, in consultation with the Corporate Secretary and any Lead Independent Director.

6.3.4 Confirm that Board functions are delegated to appropriate committees and that the functions are carried out and the results reported to the Board.

6.3.5 Together with any Lead Independent Director, approach potential candidates for Board membership, once candidates have been identified and selected by the CGCC, to explore their interest in joining the Board.

6.3.6 Confirm that the Board and senior management understand their respective responsibilities and respect the boundary between them.

6.3.7 Ensure the Board works as a cohesive team and provides the leadership essential for this purpose.

6.3.8 Ensure that a process is in place by which the effectiveness of the Board and its approach to potential candidates is assessed on a regular basis.

6.3.9 Ensure that a process is in place by which the contribution of Individual Directors to the effectiveness of the Board and committees is assessed on a regular basis.

6.3.10 Chair Board meetings, including providing appropriate briefing materials to be delivered in a timely fashion, stimulating debate, providing adequate time for discussion of issues, facilitating consensus, encouraging full participation and discussion by Individual Directors, and confirming that clarity regarding decisions is reached and accurately recorded.

6.3.11 Adopt procedures to ensure that the Board can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings.

6.3.12 Ensure that management files and fulfills disclosure requirements to statutory authorities under applicable legislation.

6.3.13 Ensure that a succession planning process is in place to appoint the CEO and other members of management when necessary.

6.3.14 Approve a resource allocation plan to ensure that the Board and its committees have the necessary resources to carry out their responsibilities, in particular, timely and relevant information.

6.3.15 Work with any Lead Independent Director, the Chair of the CGCC, the Corporate Secretary, and senior officers of Vecima to further the creation of a healthy governance culture within Vecima.

6.3.16 Represent Vecima to shareholders and external stakeholders, including local community groups, government, and non-governmental organizations.

6.3.17 Lead the Board's performance evaluation of the CEO.

6.3.18 Perform additional duties requested by the Board.

6.3.19 Act as a sounding board and advisor to the CEO and the other executive officers.

## **7. Lead Independent Director**

### **7.1 Appointment**

In each year that the elected Chair is not an independent board member, the Board shall elect from among its independent members a Lead Independent Director.

### **7.2 General**

A Lead Independent Director provides a source of Board leadership complementary to that of the Board Chair.

### **7.3 Specific Roles and Responsibilities**

#### **7.3.1 Enhance Board Effectiveness**

7.3.1.1 Work with the Chair and Corporate Secretary to ensure the Board has adequate resources, especially by way of full, timely and relevant information to support its decision-making requirements.

7.3.1.2 Review and approve that appropriate procedures are in place to allow the Board to work effectively and efficiently and to function independently from management.

7.3.1.3 Provide input to the Chair and Corporate Secretary on the preparation of agendas for Board and committee meetings and the scheduling of Board meetings.

7.3.1.4 Work with the Chair and the CGCC to ensure there is a process to implement best practices which relate to the responsibilities of the Board.

7.3.1.5 Chair Board meetings when the Chair is unavailable.

7.3.1.6 Maintain a close and collaborative relationship with the Chair.

7.3.1.7 Assist in orienting and integrating new directors to the Board.

7.3.1.8 Represent Vecima to shareholders and external stakeholders, including local community groups, government, and non-government organizations.

7.3.1.9 Perform additional duties requested by the Board.

#### **7.3.2 Liaison between Board and Management and Among Directors**

7.3.2.1 In association with regularly scheduled Board meetings, chair meetings of Independent Directors to discuss issues relating to Vecima's business without management or any non-independent directors present.

7.3.2.2 Communicate with the Chair and the entire Board, as appropriate, the results of private discussions among independent directors or the results of meetings of the independent directors.

7.3.2.3 Act as a communication channel among the directors and between directors and the Chair in respect of issues not readily or easily discussed in a formal setting.

7.3.2.4 Ensure that the Board understands and maintains the boundaries between Board and management responsibilities.

## **8. Corporate Secretary**

### **8.1 Appointment**

The Board shall appoint one of its members or someone from management to act as the Corporate Secretary.

### **8.2 General**

The Corporate Secretary is responsible for assisting the Chair and any Lead Independent Director in managing the operations and affairs of the Board and for performing additional duties requested by the Chair, Lead Independent Director, or the Board or any of its committees.

### **8.3 Specific Roles and Responsibilities**

8.3.1 Oversee the preparation of all materials for shareholders that relate to the election of directors, or the matters discussed in these guidelines.

8.3.2 Confirm that all notices and materials are delivered to shareholders and directors in a timely manner.

8.3.3 Confirm that all minutes of meetings of shareholders, the Board and committees are accurately recorded.

8.3.4 Administer the operations of the Board and its committees.

8.3.5 Monitor compliance with the governance policies of the Board, including those regarding frequency and conduct of Board meetings, reporting information and other policies relating to the Board's business.

8.3.6 Perform additional duties requested by the Chair, Lead Independent Director, or the Board or any of its committees.

## **9. Board Committees**

### **9.1 General**

The Board carries out its responsibilities directly and through the following committees and such other committees as it may establish from time to time: The Audit Committee and the CGCC.

### **9.2 Composition**

The Audit Committee is comprised of Independent Directors who are selected by the Board on the recommendation of the CGCC and who meet the requirements with respect to independence and financial literacy set out in applicable securities laws. The CGCC is comprised of Independent Directors who are selected by the Board.

### **9.3 Chair**

The Audit Committee and the CGCC are each chaired by a director who is selected by the Board on the recommendation of the CGCC and is responsible for determining the agenda and the frequency and conduct of meetings.

#### **9.4 Mandates**

Each committee has its own mandate that sets out its purpose, responsibilities and duties, qualifications for membership, procedures for committee member removal and appointment, structure and operations and manner of reporting to the Board. On an annual basis, each committee's mandate is reviewed by both the committee itself and the CGCC and is also reviewed and approved by the Board. Copies shall be made available to any shareholder upon request.

### **10. Board and Committee Meetings**

#### **10.1 Scheduling**

Board meetings are scheduled in advance at appropriate intervals throughout the year. In addition to regularly scheduled Board meetings, additional Board meetings may be called upon proper notice at any time to address specific needs of Vecima. The Board may also act from time to time by unanimous written consent. The Board, the Chair, the CEO or any two directors may call a Board meeting.

Each committee meets as often as it determines necessary to fulfill its responsibilities. A meeting of the CGCC may be called by the CGCC Chair or any two members of the committee. A meeting of the Audit Committee may be called by the Audit Committee Chair or by any other means the Audit Committee Chair may determine.

Board meetings are held at a location determined by the Chair on the advice of any Lead Independent Director and meetings of each committee are held at a location determined by the Committee Chair on the advice of the CEO.

#### **10.2 Notice**

Notice of the time and place of each meeting of the Board or any committee must be given to each director either by personal delivery, electronic mail, facsimile, or other electronic means not less than 48 hours before the time when the meeting is to be held if the notice is mailed or not less than 24 hours before time the meeting is to be held if the notice is given personally or is delivered or sent by any means of transmitted or recorded communication. Board or committee meetings may be held at any time without notice if all the directors or committee members have waived or are deemed to have waived notice of the meeting. A director participating in a Board or committee meeting is deemed to have waived notice of the meeting.

#### **10.3 Agenda**

In consultation with the Corporate Secretary and any Lead Independent Director, the Chair establishes the agenda for each Board meeting. Any director may propose the inclusion of items on the agenda, request the presence of or a report by any member of senior management, or at any Board meeting raise subjects that are not on the agenda for that meeting.

In consultation with the Corporate Secretary, any Lead Independent Director, and the CEO, Committee Chairs establish the agenda for each committee meeting. Any committee member may propose the inclusion of items on the agenda, request the presence of or a report by any member of senior management, or at any committee meeting raise subjects that are not on the agenda for the meeting.

The Corporate Secretary distributes an agenda and meeting material in advance of each Board or committee meeting to allow Board or committee members sufficient time to review and consider the matters to be discussed.

#### **10.4 Independent Director Sessions**

Independent Directors may meet separately without management or non-independent directors present. A Lead Independent Director informs management of the substance of these meetings to the extent that action is required by them.

#### **10.5 Distribution of Information**

The Board regularly receives reports on the financial results and operating activities of Vecima, as well as periodic reports on certain non-operational matters, including, corporate governance, insurance, pensions, and treasury matters and safety, health, and environmental matters.

#### **10.6 Attendance and Participation**

Each director is expected to attend all meetings of the Board and any committee of which he or she is a member. A director who is unable to attend a Board or committee meeting in person may participate by telephone or teleconference.

## **10.7 Quorum**

A quorum for any Board meeting is most directors.

A quorum for any committee meeting is most of its members.

## **10.8 Voting and Approval**

At Board or committee meetings, each director or member, as applicable, is entitled to one vote and questions are decided by most votes. In case of an equality of votes, the Chair of the meeting does not have a second or casting vote and the motion fails.

## **10.9 Procedures**

The Chair determines procedures for Board meetings unless otherwise determined by the by-laws of Vecima or a resolution of the Board. The Chair of the committee determines procedures for committee meetings unless otherwise determined by the by-laws of Vecima or a resolution of the committee or the Board.

## **10.10 Corporate Secretary**

The Corporate Secretary acts as secretary to the Board and each of its committees. In the absence of the Corporate Secretary, the Board or a committee may appoint any other person to act as secretary.

## **10.11 Minutes of Meetings**

The Corporate Secretary keeps minutes of the proceedings of the Board and each of its committees and circulates copies of the minutes to each Board or committee member on a timely basis.

## **11. Director Compensation**

The Board believes that compensation for directors should be commensurate with the compensation paid to directors of comparable companies.

Directors who are employees of Vecima or any of its affiliates do not receive any compensation for service as directors.

## **12. Director Orientation and Continuing Education**

New directors receive orientation materials describing Vecima's business and its corporate governance policies and procedures. New directors also have meetings with the Chair, Lead Independent Director, CEO and CFO.

The CGCC is responsible for reasonably confirming that procedures are in place and resources are made available to provide directors with appropriate continuing education opportunities.

## **13. Board Access to Management and Advisors**

Directors have access to members of management and are encouraged to raise any questions or concerns directly with management. The Board and its committees may invite any member of management, outside advisor or other persons to attend any of their meetings.

The Board and any of its committees may reasonably retain an outside advisor at the expense of Vecima at any time and have the authority to determine the advisor's fees and other retention terms. Individual Directors may retain an outside advisor at the expense of Vecima with the approval of the CGCC to a maximum of \$20,000.

## **14. Performance Assessment of the Board and its Committees**

The CGCC should annually review the effectiveness of the Board in fulfilling its responsibilities and duties as set out in these guidelines.

In addition, the CGCC should annually review the effectiveness of all Board committees in fulfilling their responsibilities and duties as set out in their mandate and in a manner consistent with these guidelines.

The CGCC should evaluate Individual Directors to assess their suitability for nomination for re-election.

## **15. Codes of Ethics**

The Board expects all directors, officers, and employees of Vecima to conduct themselves in accordance with the highest ethical standards.

The Board should adopt and approve a Code of Business Conduct and Ethics for directors, officers and employees which addresses, among other things, avoidance of conflicts of interest, including transactions and agreements in respect of which a director or executive officer has a material interest, protection and proper use of corporate assets and opportunities, confidentiality of corporate information, fair dealing with Vecima's security holders, customers, suppliers, competitors and employees, compliance with applicable laws, rules and regulations and the reporting of any illegal or unethical behavior. As set out in the Code of Business Conduct and Ethics, an employee who, in good faith, reports a concern regarding accounting matters or a suspected breach of the Code of Business Conduct and Ethics is protected from reprisal, such as dismissal, demotion, suspension, threats, harassment or discrimination.

The Code of Business Conduct and Ethics should be available in print to any shareholder who requests a copy.

## **16. Indemnification and Insurance**

In accordance with the by-laws of Vecima, directors and officers are each indemnified by Vecima against all liability and costs arising out of any action or suit against them from the execution of their duties, if they have carried out their duties honestly and in good faith with a view to the best interests of Vecima and have otherwise complied with the provisions of applicable corporate law.

Vecima maintains insurance for the benefit of its directors and officers against any liability incurred by them for which they would be indemnified. The amount and terms of the insurance coverage are dependent upon prevailing market conditions and practices with the objective of adequately protecting directors and officers from such liability.

## **17. Conflicts of Interest**

Each director is required to inform the CGCC of any conflict of interest he or she may have with Vecima. If a director has a personal interest in a matter before the Board or a committee, he or she must not participate in any vote on the matter except where the Board or the committee has expressly determined that it is appropriate for him or her to do so.

## **18. Contact Board and Committees**

The Board welcomes input and comments from shareholders of Vecima. You may contact one or more members of the Board or its committees, by writing to the Corporate Secretary at:

Board of Directors of Vecima Networks Inc.  
c/o Corporate Secretary  
Vecima Networks Inc.  
771 Vanalman Avenue  
Victoria BC V8Z 3B8

## **19. Definitions**

Legal terms used in this Mandate are defined as in the *National Instrument 52-110 - Audit Committees*, which is amended from time to time.