

2021 Management Information Circular

**Trusted leadership
in mental health
and wellbeing**

March 16, 2022

**Notice of Annual Meeting
of Shareholders to be held
on May 3, 2022**



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General information

Notice of annual meeting of shareholders

Take Notice that the annual meeting (the “Meeting”) of holders (“Shareholders”) of common shares (“Shares”) of LifeWorks Inc. (the “Company”) will be held on Tuesday, May 3, 2022, at 10:30 a.m. (Eastern Time). The Meeting will be a virtual meeting conducted via live audio webcast. Shareholders can access the meeting by visiting www.virtualshareholdermeeting.com/LifeWorks2022. The purpose of the Meeting is as follows:

- (1) To receive the consolidated financial statements of the Company for the financial period that ended December 31, 2021, together with the report of the auditors thereon;
- (2) To elect the Directors of the Company for the ensuing year;
- (3) To appoint the auditors of the Company and authorize the Directors of the Company to fix their remuneration;
- (4) To consider and, if deemed advisable, pass an advisory resolution on the Company’s approach to executive compensation; and
- (5) To transact such other business as may properly come before the Meeting or any adjournment thereof.

The Company has fixed March 18, 2022 as the record date for determining those Shareholders entitled to receive notice and to vote at the Meeting. The Circular provides additional information relating to the matters to be dealt with at the Meeting and forms part of this Notice.

The Management’s Discussion and Analysis of financial condition and results of operations, the Audited Consolidated Financial Statements of the Company and the Auditors’ Report to the Shareholders for the financial period ended December 31, 2021 are posted at lifeworks.com and sedar.com.

The Meeting will be held virtually via the internet. Shareholders who choose to attend the Meeting will do so by accessing a live audio webcast of the Meeting via the internet. Shareholders and duly appointed Proxyholders can access the Meeting by visiting www.virtualshareholdermeeting.com/LifeWorks2022. At this website, Shareholders will be able to listen to the Meeting live, submit questions and submit their vote while the Meeting is being held. We believe hosting the Meeting virtually will enable increased Shareholder attendance from different geographic locations and will encourage more active Shareholder engagement and participation at the Meeting. Please see “Proxy Solicitation and Voting at the Meeting” below for more information.

If you are unable to attend the Meeting or if you wish to vote in advance of the Meeting, please carefully follow the instructions on the proxy or voting instruction form. Only registered Shareholders and duly appointed Proxyholders may attend and vote at the Meeting. Shareholders who hold their Shares with a bank, broker or financial intermediary who wish to vote at the Meeting must carefully follow the instructions provided by their intermediary. In order to be effective, proxies must be received by the Chair of the Meeting no later than 5:00 p.m. (Eastern Time) on April 29, 2022. If you are attending the Meeting, please log in to the virtual meeting in advance to ensure that your vote will be counted.

Time is of the essence. It is recommended that you vote by telephone or internet to ensure that your vote is received before the Meeting. To cast your vote by telephone or internet, please have your proxy card or voting instruction form on hand and carefully follow the instructions contained therein. Your telephone or internet vote authorizes the named proxies to vote your Shares in the same manner as if you mark, sign and return your proxy card. If you vote by telephone or internet, your vote must be received before 5:00 p.m. (Eastern Time) on April 29, 2022.

A Shareholder who is unable to be present at the Meeting and who wishes to appoint some other person (who need not be a Shareholder) to represent them at the Meeting, may do so either by inserting the name of the chosen Proxyholder and providing a unique appointee identification number for their appointee to access the virtual Meeting, either online at proxyvote.com using the 16-digit control number provided, or using the enclosed form of proxy or voting instruction form and returning the completed proxy in the pre-addressed return envelope provided for that purpose, to Broadridge Investor Communications Corporation no later than 5:00 p.m. (Eastern Time) on April 29, 2022. You **must** provide your appointee with the exact name and eight-character appointee identification number to access the Meeting. Appointees can only be validated at the virtual Meeting using the exact name and eight-character appointee identification number you enter.

If you do not create an eight-character appointee identification number, your appointee will not be able to access the virtual Meeting.

Dated at Toronto, Ontario, this 16th day of March, 2022.

By Order of the Directors of LifeWorks Inc.

A handwritten signature in black ink that reads "S. Marsh". The signature is fluid and cursive, with the first letter "S" being particularly large and stylized.

Susan Marsh, Corporate Secretary

LifeWorks Inc.

Definitions

Definitions: In this Circular, the following expressions have these meanings:

"2011 LTIP" means the Company's closed long-term incentive plan dated January 1, 2011 as amended and restated March 2, 2017;

"2011 LTIP Units" means collectively the 2011 RSUs and the Retirement DSUs;

"2011 RSUs" means the restricted share units of the Company granted under the 2011 LTIP;

"2017 LTIP" means the Company's long-term incentive plan dated March 2, 2017 as amended and restated on March 7, 2018 and March 10, 2020;

"2017 LTIP Units" means collectively the RSUs, DSUs and PSUs;

"Adjusted EBTDA" means adjusted earnings before tax, depreciation and amortization;

"Adjusted EBTDA per Share" means Adjusted EBTDA divided by the weighted average number of Shares;

"Adjusted EBITDA" means Adjusted EBITDA as calculated and defined in the LifeWorks Management's Discussion and Analysis for the year ended December 31, 2021;

"Beneficial Shareholders" means the Shareholders who do not hold Shares in their own names;

"Board" means the Board of Directors of LifeWorks Inc.;

"CDS" means CDS Clearing and Depository Services Inc.;

"CEO" means the President and Chief Executive Officer;

"CFO" means the Chief Financial Officer;

"Circular" or **"Management Information Circular"** means this management information circular of LifeWorks Inc. dated March 16, 2022;

"Code" means the LifeWorks Code of Business Conduct and Ethics;

"Company" or **"LifeWorks"** means LifeWorks Inc.;

"Director DSU Plan" means the Directors' deferred share unit plan dated March 2, 2017 as amended and restated March 10, 2020;

"Director DSUs" means the deferred share units of the Company granted to Directors under the Director DSU Plan;

"Director Phantom DSUs" means the deferred share units of the Company granted under the Director Phantom Plan;

"Director Phantom Plan" means the Director phantom share unit plan dated March 10, 2021;

"Directors" means the directors of the Company;

"DSUs" means the deferred share units of the Company granted under the 2017 LTIP;

"Enabling Functions" means areas of the Company that provide professional services internally and excludes the LOBs;

"EVP" means Executive Vice President;

“Global Leadership Team” means senior employees of the Company with a title of VP or SVP;

“Governance Committee” means the Governance and Nominating Committee of the Board;

“HR Committee” means the Human Resources Committee of the Board;

“Income Fund LTIP” means the Company’s closed long-term incentive plan established when the Company was Morneau Sobeco Income Fund;

“Income Fund LTIP Units” means the long-term incentive plan units of the Company granted under the Income Fund LTIP;

“LOB” means line of business;

“LTIP” or **“Long-term Incentive Plan”** means the Phantom Plan, 2017 LTIP, 2011 LTIP and the Income Fund LTIP;

“LTIP Participants” means the employees and Directors of LifeWorks to whom LTIP Units have been granted;

“LTIP Units” means the Phantom Units, 2017 LTIP Units, the 2011 LTIP Units, the Income Fund LTIP Units, the Director Phantom DSUs and the Director DSUs, as applicable;

“Meeting” means the annual meeting of the holders of LifeWorks Inc. common shares to be held on Tuesday, May 3, 2022 as it may be adjourned from time to time;

“Meeting materials” means the Notice of Annual Meeting of Shareholders and the Management Information Circular and the form of proxy to be used by CDS as the sole registered Shareholder;

“LifeWorks” means LifeWorks Inc.;

“NEOs” or **“Named Executive Officers”** means the Company’s CEO, CFO and the three other most highly compensated executives;

“OBCA” means the Business Corporations Act (Ontario);

“Phantom Plan” means the employee phantom share unit plan dated November 10, 2020;

“Phantom PSUs” means the performance share units of the Company granted under the Phantom Plan;

“Phantom RSUs” means the restricted share units of the Company granted under the Phantom Plan;

“Phantom Units” means the Phantom PSUs and the Phantom RSUs;

“Preferred Shares” means the preferred shares that form part of LifeWorks’ authorized capital;

“Proxyholders” has the meaning outlined below under the section “Appointment of Proxies”;

“PSUs” means the performance share units of the Company granted under the Phantom Plan and the 2017 LTIP, as applicable;

“Retirement DSUs” means the retirement deferred share units of the Company granted under the 2011 LTIP;

“Risk Committee” means the Risk Committee of the Board;

“RSUs” means the restricted share units of the Company granted under the Phantom Plan and the 2017 LTIP, as applicable;

“Shares” means the common shares of the Company;

“Shareholders” means the holders of Shares;

“TSR” means total shareholder return; and

“TSX” means the Toronto Stock Exchange.

Management information circular

The Directors of LifeWorks Inc. (the “Company” or “LifeWorks”), in conjunction with the management of LifeWorks, are pleased to announce the Company’s 2022 annual meeting (the “Meeting”). The management of LifeWorks has prepared this Management Information Circular and is asking you to vote and is soliciting proxies for the matters to be considered at the Meeting of holders (the “Shareholders”) of common shares (“Shares”) of the Company. The record date for notice and voting at the Meeting (the “Record Date”) is March 18, 2022.

The company

LifeWorks was incorporated on October 19, 2010, pursuant to the provisions of the Business Corporations Act (Ontario) (the “OBCA”). LifeWorks previously operated under the name Morneau Shepell and changed its name in May 2021. LifeWorks indirectly carries on its business through its operating subsidiary, LifeWorks (Canada) Ltd., and its subsidiaries.

LifeWorks is a reporting issuer in all Canadian provinces and territories and, accordingly, is subject to the informational reporting requirements under the securities laws of each such jurisdiction. The principal and head office of LifeWorks is located at 895 Don Mills Road, Suite 700, Toronto, Ontario M3C 1W3.

As at March 16, 2022 there were 69,315,348 Shares outstanding.

Delivery of meeting materials

Notice and access

In 2018, as permitted by the Canadian Securities Administrators, the Company adopted “Notice and Access” to deliver the Circular to Shareholders for the Meeting. This means that instead of receiving a paper copy of the Circular, Shareholders will receive a notice (“Notice”), which provides information on how to access the Circular online and how to request a paper copy of it. A form of proxy or a voting instruction form for Shareholders was included with the Notice with instructions on voting. Adopting Notice and Access allows the Company to reduce its printing and mailing costs, and is consistent with the Company’s environmental, social, governance and sustainability strategy.

How to access the circular electronically

This Circular is available on SEDAR at sedar.com and on LifeWorks’ website at lifeworks.com/en/investor-relations.

How to request a paper copy of the circular

Upon request at any time prior to or up to one year following the date of filing of the Circular, LifeWorks will send a Shareholder a paper copy of the Circular at no cost. If a Shareholder requests it before the date of the Meeting, the Circular will be sent within three business days of receiving the request. To receive the Circular before the voting deadline and the date of the Meeting, the Company estimates that the request must be received no later than 5:00 p.m. (Eastern Time) on April 18, 2022. The Shareholder will not receive another form of proxy or voting instruction form, so in order to exercise the voting rights, the Shareholder should keep the form received with the Notice. If the Shareholder requests it on the date of the Meeting or in the year following the filing of the Circular, it will be sent within 10 calendar days of receiving the request.

The request can be made online at proxyvote.com by entering the 16-digit control number located on your proxy or voting instruction form and following the instructions provided. Alternatively, you may submit a request by calling 1-877-907-7643 (toll-free within North America) or 303-562-9305 (outside North America) or 303-562-9306 (for French support), or by email to noticeandaccess@broadridge.com.

Questions

If a Shareholder has questions about Notice and Access or wishes to request a paper copy of this Circular after the Meeting at no charge, call Broadridge toll-free within North America at 1-844-916-0609 (English) or 1-844-973-0593 (French); outside North America at 303-562-9305 (English) or 303-562-9306 (French).

Voting information

Number of shares

As of March 16, 2022, 69,315,348 Shares are issued and outstanding. Each holder of a Share is entitled to one vote, for each Share held, on all matters to come before the Meeting. The authorized capital of LifeWorks consists of an unlimited number of Shares and 10 million Preferred Shares issuable in series. No Preferred Shares have been issued by the Company. The following is a summary of the rights, privileges, restrictions and conditions attached to the Common Shares of LifeWorks.

Common shares

Holders of Shares will be entitled to one vote per Share at meetings of Shareholders, to receive dividends if, as and when declared by the Board and to receive pro rata the remaining property and assets of LifeWorks upon its dissolution or winding-up, subject to the rights of shares having priority over the Shares.

Proxy solicitation and voting at the meeting

Solicitation of proxies and voting instructions

This Management Information Circular is furnished in connection with the solicitation of proxies for use at the Meeting to be held on Tuesday, May 3, 2022 at 10:30 a.m. (Eastern Time) and, at any adjournment thereof, for the purposes set forth in the accompanying Notice of Annual Meeting of Shareholders. The Meeting will be a meeting conducted virtually via live audio webcast. Shareholders can access the Meeting by visiting www.virtualshareholdermeeting.com/LifeWorks2022. If you plan to vote at the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure internet connectivity for the duration of the Meeting. You should allow ample time to log in to the Meeting online and complete the check-in procedures. In addition to the use of mail, proxies may be solicited by telephone or by other means of communication, or by employees of the Company, who will not be remunerated therefore. The Company reserves the right to retain proxy solicitation services or dealers, for appropriate compensation, but has no current plans to do so. The Company is bearing the cost of the solicitation of the proxies.

Appointment of proxies

The persons named in the enclosed form of proxy or voting instruction form are Directors. A registered Shareholder who wishes to appoint some other person to represent them at the Meeting may do so by inserting such person's name in the blank space provided in the form of proxy or by completing another proper form of proxy ("Proxyholder"). Such other person need not be a Shareholder. Proxies designated by way of the internet or telephone must be received before 5:00 p.m. (Eastern Time) on April 29, 2022.

To be valid, proxies must be returned to Broadridge Investor Communications Corporation so as to arrive no later than 5:00 p.m. (Eastern Time) on April 29, 2022 or, if the Meeting is adjourned, 48 hours (excluding Saturdays and holidays) before any reconvened meeting, or be deposited with the Chair of the Meeting prior to the commencement of the Meeting or any reconvened meeting. Proxies may be returned by:

Internet: proxyvote.com

Telephone: 1-800-474-7493 (English) or 1-800-474-7501 (French)

Mail: Data Processing Centre, P.O. Box 3700, Stn. Industrial Park, Markham, ON, L3R 9Z9

Information for beneficial holders of securities

The information set forth in this section is of significant importance to Shareholders who do not hold Shares in their own names. Such holders, referred to in this Management Information Circular as “Beneficial Shareholders”, should note that since all Shares are held in the book-based system operated by CDS Clearing and Depository Services Inc. (“CDS”), only proxies deposited by CDS, as the sole registered Shareholder, can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then those Shares will not be registered in the Beneficial Shareholder’s name on the records of the Company. All such Shares will be registered under the name of CDS. Shares should only be voted upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are generally prohibited from voting Shares on behalf of their clients. In accordance with applicable securities laws, the Company has distributed copies of this Notice of Annual Meeting of Shareholders and Management Information Circular and the form of proxy to be used by CDS as the sole registered Shareholder (collectively, the “meeting materials”) to CDS and intermediaries for onward distribution to Beneficial Shareholders. The Company will reimburse intermediaries for out-of-pocket costs of delivery.

Intermediaries are required to forward meeting materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. Typically, intermediaries will use service companies to forward the meeting materials to Beneficial Shareholders. Beneficial Shareholders who have not waived the right to receive meeting materials will either:

- a. be given a voting instruction form that must be completed and signed by the Beneficial Shareholder in accordance with the directions on the voting instruction form, which may in some cases permit the completion of the voting instruction form by telephone or through the internet; or
- b. less frequently, be given a proxy that has already been signed by the intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Shares beneficially owned by the Beneficial Shareholder but which is otherwise uncompleted. This form of proxy need not be signed by the Beneficial Shareholder. In this case, the Beneficial Shareholder who wishes to submit a proxy should otherwise properly complete the form of proxy received from the intermediary and deposit it as soon as practicable but no later than 5:00 p.m. (Eastern Time) on April 29, 2022 with Broadridge, Attention: Data Processing Centre, P.O. Box 3700, Stn. Industrial Park, Markham, ON L3R 9Z9.

The Meeting will be held entirely online to allow greater participation.

The purpose of these procedures is to permit Beneficial Shareholders to direct the voting of the Shares they beneficially own. **A Beneficial Shareholder has the right to appoint a person or company to represent the Beneficial Shareholder at the Meeting other than the person or company, if any, designated in the form of proxy or voting instruction form.** Should a Beneficial Shareholder who receives either a proxy or a voting instruction form wish to attend and vote at the Meeting, or have another person attend and vote on behalf of the Beneficial Shareholder, the Beneficial Shareholder should designate an appointee. The Beneficial Shareholder would enter the appointee name in the space provided and provide a unique appointee identification number. The appointee will need the unique appointee identification number to access the virtual Meeting.

The Beneficial Shareholder **must** provide their appointee with the **exact name of the appointee** and the eight-character appointee identification number **entered by the Beneficial Shareholder** to enable the appointee to access the Meeting.

If an eight-character Appointee Identification Number is not provided to the appointee, the appointee will not be able to access the virtual meeting.

Voting instruction forms in some cases permit the completion of the voting instruction form by telephone or through the internet. In either case, Beneficial Shareholders should carefully follow the instructions of their intermediaries and their service companies.

If you are a Beneficial Shareholder and wish to vote at the Meeting by online ballot through the live audio webcast platform (or have another person attend and vote on such Shareholder’s behalf) you must complete the voting instruction form in accordance with the directions provided. The webcast will be held at www.virtualshareholdermeeting.com/LifeWorks2022. To participate in the Meeting, you will need the 16-digit control number on your voting instruction form or on the instructions that accompany your proxy materials. Beneficial Shareholders who have not duly appointed themselves as Proxyholders may attend the Meeting as Shareholders and can ask questions but cannot vote.

If you plan to vote at the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure internet connectivity for the duration of the Meeting. You should allow ample time to log in to the Meeting online and complete the check-in procedures.

However, even if you as a Beneficial Holder plan to attend the Meeting, the Company recommends that you vote your Shares in advance, so that the vote will be counted if you later decide not to attend the Meeting.

Revocation of proxies

A registered Shareholder who has given a proxy may revoke the proxy:

- c. by completing a proxy signed by the Shareholder or by the Shareholder's attorney, authorized in writing, bearing a later date, and depositing it with Broadridge as described above; or
- d. by depositing an instrument of revocation in writing, executed by the Shareholder or by the Shareholder's attorney, authorized in writing:
 - (i) at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of the Meeting, at which the proxy is to be used, or
 - (ii) with the Chair of the Meeting prior to the exercise of the proxy; or
- e. in any other manner permitted by law.

Registered Shareholders may also vote during the Meeting by submitting an online ballot through the live audio webcast platform, which will revoke their previous proxy.

A Beneficial Shareholder may revoke a voting instruction form or a waiver of the right to receive meeting materials and to vote given to an intermediary at any time by written notice to the intermediary, except that an intermediary may not act on a revocation of a voting instruction form or of a waiver of the right to receive meeting materials and to vote that is not received by the intermediary in sufficient time prior to the Meeting.

Voting of proxies

The persons named in the accompanying form of proxy, who are Directors, will vote or withhold from voting Shares in respect of which they are appointed, on any ballot that may be called for, in accordance with the instructions of the Shareholder as indicated on the proxy and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly. In the absence of such specification, such Shares will be voted FOR all of the matters to be acted upon as set out herein. The persons appointed under the form of proxy are conferred with discretionary authority with respect to amendments or variations of those matters specified in the form of proxy and Notice of Annual Meeting of Shareholders, which may be properly brought before the Meeting. In the event that amendments or variations to matters identified in the Notice of Annual Meeting of Shareholders are properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their judgment on such matter or business. At the time of printing this Management Information Circular, the Directors knew of no such amendment or variation.

Principal holders

The following table lists those persons who own or are known to the Company to own beneficially, directly or indirectly, more than 10% of the issued and outstanding Shares of the Company as at March 16, 2022.

Name	Number of Shares Owned ¹	Percentage of Total Shares
Mackenzie Financial Corporation	10,399,478	15.0%
Jarislowsky, Fraser Limited	9,044,174	13.1%

¹ Number of Shares owned as reported by the shareholder in the public filings on SEDAR

Business of the meeting

1. Financial statements

The Audited Consolidated Financial Statements of the Company for the period ended December 31, 2021, together with the Auditors' Report on those statements, are available at lifeworks.com and sedar.com, and will be presented to Shareholders at the Meeting.

2. Election of directors

The nominees for Directors of the Company are listed and described below under "Election of Directors". Unless otherwise instructed, the persons designated in the form of proxy intend to vote for the election of the nominees listed in this Management Information Circular. If, for any reason at the time of the Meeting, any of the nominees are unable to serve as Directors, and unless otherwise directed, the persons named in the form of proxy intend to vote at their discretion for a substitute nominee or nominees.

3. Appointment of auditors

The Directors propose that the firm KPMG LLP be appointed as the auditors of the Company for the 2022 financial year. KPMG LLP has served as auditors to the Company since its inception. Unless otherwise directed, the persons named in the form of proxy intend to vote for the resolution in respect of KPMG LLP.

4. Advisory resolution on approach to executive compensation

The Company believes that its compensation objectives and approach to executive compensation appropriately align the interests of management with the long-term interests of Shareholders. Details of the Company's approach to executive compensation are disclosed in the "Compensation Discussion and Analysis" section of this Circular. As a result, the Company is asking you to vote on the following resolution: Resolved, on an advisory basis and not to diminish the role and responsibilities of the Board, that the Shareholders accept the approach to executive compensation disclosed in the Circular delivered in advance of the Meeting. This is an advisory vote, so the results are not binding. Last year, 93% of the Shareholder votes were in favour of the Company's executive compensation approach. The Board, in particular the Human Resources Committee (the "HR Committee"), will, however, take the results into account, together with feedback received from other Shareholder engagement activities, when making decisions about compensation policies, procedures and executive pay in the future. The Board recommends that you vote FOR its approach to executive compensation. If a significant number of Shareholders oppose the resolution, the Board will engage with Shareholders (especially those who are known to have voted against it) to understand their concerns and will continue to review the approach to executive compensation in the context of those concerns. The HR Committee, as well as the Board, welcomes questions and comments about executive compensation at LifeWorks. We encourage an open dialogue with Shareholders and consider all Shareholder feedback. See the "Shareholder Engagement" section of this Circular for information on how to contact a member of the Board.

5. Other business

The Directors know of no matter to come before the Meeting other than the matters referred to in the accompanying Notice of Annual Meeting of Shareholders.

Election of directors

Election of directors

In accordance with the articles of incorporation of the Company, the size of the Board shall be between one and 20. The Board has established that its size following the Meeting shall be nine. The Board has adopted a majority voting policy in director elections that will apply at any meeting of the Company's Shareholders where an uncontested election of directors is held. Pursuant to this policy, if the number of proxy votes withheld for a particular director nominee is greater than the votes for such director, the director nominee will be required to submit his or her resignation to the Chair of the Board immediately following the meeting. Following receipt of resignation, the Governance and Nominating Committee of the Company (the "Governance Committee") will consider whether or not to accept the offer of resignation. The Governance Committee shall accept and recommend acceptance of the resignation by the Board absent exceptional circumstances. The resignation will be effective when accepted by the Board. Within 90 days following the meeting, the Board will make its decision and promptly disclose it by a press release, such press release to include the reasons for rejecting the resignation, if applicable. A Director who tenders his or her resignation pursuant to this majority voting policy will not be permitted to participate in any meeting of the Board or the Governance Committee at which the resignation is considered.

The nine nominees proposed for election as Directors by the Shareholders are detailed below. All nominees have established their eligibility and willingness to serve as Directors. Directors elected will hold office until the next annual meeting of Shareholders, or until their successors are appointed. Details in this section regarding Board and Committee membership and attendance are reported as of December 31, 2021. For a breakdown of Director total compensation for 2021, please see the chart in this Circular under the section "2021 Board Compensation".

Involvement of directors in certain proceedings

From June 2012 to June 2016, Ms. Denham was a member of the board of directors of Penn West Petroleum Ltd., a company that was subject to cease trade orders further to the July 2014 announcement by Penn West Petroleum Ltd. of the review of some of its accounting practices and the decision to restate its financial statements. These orders are no longer in effect.

Luc Bachand

Québec, Canada

Luc Bachand is a corporate director and currently sits on the boards of Mouvement Desjardins, Cominar Real Estate Investment Trust, LifeWorks Investment Management Ltd., HEC Montréal and the Fondation Jeunes en Tête. He also sits on the Investment Committee of Power Sustainable Energy Infrastructure Inc. Mr. Bachand was Vice-Chairman and Head of BMO Capital Markets in Québec from 2006 until his retirement in 2016. Mr. Bachand joined BMO Financial Group in 1983, where he held several positions within the Capital Markets Group. He holds a bachelor's degree in business Administration from HEC Montréal and a master of business administration from Concordia University. Mr. Bachand is a fellow of the Institute of Canadian Bankers and has obtained the ICD.D designation from the Institute of Corporate Directors.



Independent Director

Board and Committee Membership	Attendance	Age	Director Since	2020 Total Compensation	Value ¹ of Common Shares	Value ¹ of LTIP Units	Total Value ¹ of Common Shares and Director DSUs	Value as Multiple of Retainer or Salary ⁵	Share Ownership Requirement met ⁶
Board	8 of 8 (100%)	65	March 2, 2017 (5 Years)	\$234,637 ²	\$331,890 (13,000) ³	\$301,458 (11,808) ⁴	\$633,348 (24,808) ⁵	3.62x	Has until July 2024 to fulfill ownership requirement
Chair, Audit Committee	4 of 4 (100%)								
HR Committee	5 of 5 (100%)								

Past Annual Meeting Voting Results:

2021: 99.79% votes For

Other Directorship of Publicly-Owned Entities:

Cominar Real Estate Investment Trust – Director

¹ Values are calculated as at December 31, 2021 using the closing Share price of \$25.53 per Unit or Share

² Includes \$91,319 earned for serving on the board of LifeWorks Inc. and the balance of \$52,000 for serving on the board of LifeWorks Investment Management Ltd.

³ Number of Common Shares

⁴ Number of Director DSUs

⁵ Number of Common Shares and Director DSUs

⁶ On July 1, 2020, compensation for Canadian resident Directors (excluding the Board Chair) increased. Share ownership requirement is four times annual retainer within four years of appointment, or within four years of an increase to the annual retainer, whichever is later. As a result of the increase in July 2020, Mr. Bachand is obligated to meet the new share ownership requirement by 2024

Robert Courteau

Ontario, Canada

Robert Courteau is a corporate director and executive advisor. He sits on the boards of Kinaxis Inc. and D2L, and currently serves as vice chair of the Holland Bloorview Hospital Foundation. Most recently, he was chief executive officer of Altus Group and prior to this role, Mr. Courteau was a global corporate executive with SAP AG. Throughout his various executive positions, Mr. Courteau has refined his expertise and insights into global market leadership, advisory services, enterprise application software and data solutions. He holds a bachelor of commerce degree and was awarded an honorary doctor of laws degree from Concordia University. The Royal Institution of Chartered Surveyors further recognized his dedication and innovative leadership in 2014, awarding him a fellowship.

Independent Director⁷

Board and Committee Membership	Attendance	Age	Director Since	2020 Total Compensation	Value ¹ of Common Shares	Value ¹ of LTIP Units	Total Value ¹ of Common Shares and Director DSUs	Value as Multiple of Retainer or Salary ⁵	Share Ownership Requirement met ⁵
Board	8 of 8 (100%)	66	Oct. 19, 2020 (1.5 years)	\$166,440	\$43,401 (1,700) ²	\$261,070 (10,226) ³	\$304,471 (11,926) ⁴	1.74x	Has until Oct. 2024 to fulfill ownership requirement
HR Committee	5 of 5 (100%)								
Audit Committee ⁶	2 of 2 (100%)								

Past Annual Meeting Voting Results:

2021: 99.80% votes For

Other Directorship of Publicly-Owned Entities:

Kinaxis Inc. – Director and Member, Audit Committee and Compensation Committee
D2L – Director

¹ Values are calculated as at December 31, 2021 using the closing Share price of \$25.53 per Unit or Share

² Number of Common Shares

³ Number of Director DSUs made up of a one-time Director DSU grant upon joining the Board in the amount of USD\$150,000 which vests over three years in accordance with the Director DSU Plan

⁴ Number of Common Shares and Director DSUs

⁵ Annual retainer is \$175,000. Share ownership requirement is four times annual retainer within four years of appointment, or within four years of an increase to the annual retainer, whichever is later

⁶ Mr. Courteau was appointed as a member of the Audit Committee, effective May 14, 2021

⁷ Effective May 4, 2022, following the Meeting, Ms. Denham will step down as the non-executive Chair of the Board. It is the Board's intention to appoint Mr. Courteau as the new non-executive Chair of the Board after the Meeting effective May 4, 2022

Gillian (Jill) Denham

Ontario, Canada

Gillian (Jill) Denham is President of Authentum Partners Ltd., which invests in technology and related businesses and provides advisory services. Ms. Denham currently serves on the board of directors of Canadian Pacific Railway Limited, Canaccord Genuity and Kinaxis Inc. She spent her career at Wood Gundy and CIBC. She has held senior positions in investment banking, was President of Merchant Banking/Private Equity and had regional responsibility for CIBC in Europe. She was also head of the Retail Bank for CIBC. Ms. Denham holds an honours business administration degree from the Ivey Business School, Western University, and a master of business administration from Harvard Business School.



Chair, Independent Director⁶

Board and Committee Membership	Attendance	Age	Director Since	2020 Total Compensation	Value ¹ of Common Shares	Value ¹ of LTIP Units	Total Value ¹ of Common Shares and Director DSUs	Value as Multiple of Retainer or Salary ⁵	Share Ownership Requirement met ⁵
Chair, Board	8 of 8 (100%)	61	Oct. 22, 2008 (13.5 years)	\$280,000	\$322,444 (12,630) ²	\$1,166,466 (45,690) ³	\$1,488,910 (58,320) ⁴	5.32x	Yes
Governance Committee	4 of 4 (100%)								

Past Annual Meeting Voting Results:

2021: 95.48% votes For

Other Directorship of Publicly-Owned Entities:

Canaccord Genuity – Lead Director

Canadian Pacific Railway Limited – Director and Member, Audit and Finance Committee, Management Resources and Compensation Committee

Kinaxis Inc. – Director and Member, Nominating and Governance Committee, Audit Committee, Chair, Compensation Committee

¹ Values are calculated as at December 31, 2021 using the closing Share price of \$25.53 per Unit or Share

² Number of Common Shares

³ Number of Director DSUs

⁴ Number of Common Shares and Director DSUs

⁵ Annual retainer is \$280,000. Share ownership requirement is four times annual retainer within four years of appointment, or within four years of an increase to the annual retainer, whichever is later

⁶ Effective May 4, 2022, following the Meeting, Ms. Denham will step down as the non-executive Chair of the Board. It is the Board's intention to appoint Mr. Courteau as the new non-executive Chair of the Board after the Meeting effective May 4, 2022

Ron Lalonde

Ontario, Canada

Ron Lalonde is a corporate director. Prior to his retirement in 2010, Mr. Lalonde was Senior Executive Vice President, Technology & Operations at CIBC. Prior to this, he was the Chief Administrative Officer of CIBC, with responsibility for finance, legal, compliance, human resources, marketing and other support functions. Mr. Lalonde also held senior executive positions in London, England and New York. He currently serves as a Commissioner on the board of the Toronto Transit Commission and is a board member of a private company, SCM Insurance Services. Mr. Lalonde holds a bachelor of arts degree from Western University and a master of business administration from the Ivey Business School.



Independent Director

Board and Committee Membership	Attendance	Age	Director Since	2020 Total Compensation	Value ¹ of Common Shares	Value ¹ of LTIP Units	Total Value ¹ of Common Shares and Director DSUs	Value as Multiple of Retainer or Salary ⁵	Share Ownership Requirement met ⁵
Board ⁴	8 of 8 (100%)	66	March 2, 2016 (6 years)	\$195,000	\$354,867 (13,900) ²	\$382,312 (14,975) ³	\$737,179 (28,875) ⁴	4.21x	Yes
Governance Committee	4 of 4 (100%)								
Chair, Risk Committee	4 of 4 (100%)								

Past Annual Meeting Voting Results:

2021: 99.93% votes For

¹ Values are calculated as at December 31, 2021 using the closing Share price of \$25.53 per Unit or Share

² Number of Common Shares

³ Number of Director DSUs

⁴ Number of Common Shares and Director DSUs

⁵ Annual retainer is \$175,000. Share ownership requirement is four times annual retainer within four years of appointment, or within four years of an increase to the annual retainer, whichever is later

Bradford Levy

New Jersey, United States

Bradford (Brad) Levy is the Chief Executive Officer of Symphony Communication Services. Previously, Mr. Levy was the Chief Executive Officer of MarkitSERV and has held various positions at Markit, Goldman Sachs and Lehman Brothers. He has also held board and advisory positions with TradeWeb, LoanX, BondDesk and CDS IndexCo. Mr. Levy holds a bachelor of science degree in finance from the State University of New York at Albany.



Independent Director

Board and Committee Membership	Attendance	Age	Director Since	2020 Total Compensation	Value ¹ of Common Shares	Value ¹ of LTIP Units	Total Value ¹ of Common Shares and Director DSUs	Value as Multiple of Retainer or Salary ⁵	Share Ownership Requirement met ⁵
Board	8 of 8 (100%)	51	Nov. 24, 2020 (1.3 years)	\$140,268	\$0 (0) ²	\$289,178 (11,327) ³	\$289,178 (11,327) ⁴	1.77x	Has until Nov. 2024 to fulfill ownership requirement
Audit Committee	4 of 4 (100%)								
Risk Committee ⁶	2 of 2 (100%)								

Past Annual Meeting Voting Results:

2021: 99.92% votes For

¹ Values are calculated as at December 31, 2021 using the closing Share price of \$25.53 per Unit or Share

² Number of Common Shares

³ Number of Director DSUs made up of a one-time Director DSU grant upon joining the Board in the amount of USD\$150,000 which vests over three years and is redeemable in accordance with the Director DSU Plan

⁴ Number of Common Shares and Director DSUs

⁵ Annual retainer is USD\$130,000 and converted using an exchange rate equal to the average closing rate determined by the Bank of Canada for the five business days preceding the grant date. Share ownership requirement is four times annual retainer within four years of appointment, or within four years of an increase to the annual retainer, whichever is later

⁶ Mr. Levy was appointed as a member of the Risk Committee effective May 14, 2021

Stephen Liptrap

Ontario, Canada

Stephen Liptrap is president and chief executive officer of LifeWorks. Mr. Liptrap joined the Company's senior executive team in 2008, bringing with him more than 25 years of senior executive experience in the high tech, consumer packaged goods and retail sectors. In 2010, he was appointed executive vice president and general manager of LifeWorks' largest business unit, Employee Support Solutions. In 2016, Mr. Liptrap was appointed chief operating officer, responsible for leading the Company's business operations and functions. He is a member of the Business Council of Canada and the Human Capital Policy Council of the C.D. Howe Institute. He has been a member of the national committee for CAMH's 150 leading Canadians for mental health and served on the HR committee of the 2015 Pan Am games, the Canadian board of directors for NCR and the pension board for Europe of a large technology company. Mr. Liptrap holds an honours business administration degree from the Ivey business school, Western University, is a graduate of the Harvard advanced management program and is a Certified Human Resources Executive ("CHRE").



President and Chief Executive Officer

Board and Committee Membership	Attendance	Age	Director Since	2020 Total Compensation	Value ¹ of Common Shares	Value ¹ of LTIP Units	Total Value ¹ of Common Shares and Director DSUs	Value as Multiple of Retainer or Salary ⁵	Share Ownership Requirement met ⁵
Board	8 of 8 (100%)	56	May 4, 2017 (5 years)	N/A	\$1,238,205 (48,500) ²	\$2,901,663 (113,657) ³	\$4,139,868 (162,157) ⁴	6.13x	Meets 4x salary, but does not yet meet new common share equity requirement

Past Annual Meeting Voting Results:

2021: 99.90% votes For

¹ Values are calculated as at December 31, 2021 using the closing Share price of \$25.53 per Unit or Share

² Number of Common Shares

³ Number of LTIP Units comprises: RSUs and PSUs

⁴ Number of Common Shares and LTIP Units

⁵ Share ownership requirement is four times total base salary

⁵ Share ownership requirement is four times total base salary. In 2021, the Board of Directors introduced a new requirement that 50% of the overall requirement for EVP's and the CEO be met through common equity. As a result, all employees were given 5 years, from Jan 1, 2022 to meet this requirement. Mr. Liptrap has met and exceeded the 4x requirement, however he has not yet met the newly introduced common share requirement.

Chitra Nayak

California, United States

Chitra Nayak is a corporate director and currently serves on the board of directors of public companies Forward Air Corporation, Infosys and Invitae, and private companies Intercom and UrbanFootprint. She is on the ESG Committee at Infosys and is the ESG lead director on the Invitae board. She is a Boston Consulting Group (BCG) Senior Advisor, venture partner at 1414 Ventures and also advises technology startups. Previously, Ms. Nayak was Chief Operating Officer (“COO”) of Comfy by Building Robotics, COO of the U.S. business of Funding Circle and COO, Platform at Salesforce.com. She has also held leadership positions at AAA Northern California and Charles Schwab & Co. and began her career at BCG. Ms. Nayak holds a bachelor of science degree in engineering from the Indian Institute of Technology, a master of science in engineering from Cornell University and a master of business administration degree from Harvard Business School.



Independent Director

Board and Committee Membership	Attendance	Age	Director Since	2020 Total Compensation	Value ¹ of Common Shares	Value ¹ of LTIP Units	Total Value ¹ of Common Shares and Director DSUs	Value as Multiple of Retainer or Salary ⁵	Share Ownership Requirement met ⁵
Board	8 of 8 (100%)	58	Nov. 24, 2020 (1.3 years)	\$140,268	\$0 (0) ²	\$231,455 (9,066) ³	\$231,455 (9,066) ⁴	1.42x	Has until Nov. 2024 to fulfill ownership requirement
Risk Committee	4 of 4 (100%)								

Past Annual Meeting Voting Results:

2021: 99.93% votes For

Other Directorship of Publicly-Owned Entities:

Forward Air Corporation – Director
 Invitae – ESG Lead Director
 Infosys – Director and Member, ESG Committee

¹ Values are calculated as at December 31, 2021 using the closing Share price of \$25.53 per Unit or Share

² Number of Common Shares

³ Number of Director DSUs made up of a one-time Director DSU grant upon joining the Board in the amount of USD\$150,000 which vests over three years and is redeemable in accordance with the Director DSU Plan

⁴ Number of Common Shares and Director DSUs

⁵ Annual retainer is USD\$130,000 and converted using an exchange rate equal to the average closing rate determined by the Bank of Canada for the five business days preceding the grant date. Share ownership requirement is four times annual retainer within four years of appointment, or within four years of an increase to the annual retainer, whichever is later

Kevin Pennington

South Carolina, United States

Kevin Pennington formerly served as Special Advisor to the CEO of Fiserv, Inc., a leading global technology provider for the financial services industry, after serving five years as the Chief Human Resources Officer (“CHRO”) of Fiserv. Throughout his more than 35-year career, Mr. Pennington has held progressively senior human resources roles in both the United States and Canada having served as a CHRO for 27 years. He served as Executive Vice President, CHRO and Administration with Agere Systems Inc., a semiconductor company spun off from Lucent Technologies, from 2001 to 2005, followed by six years as Executive Vice President, CHRO with Toronto-based Rogers Communications Inc. Mr. Pennington holds a bachelor of science degree in behavioral science/management and a master of science degree in Counseling, both from Shippensburg University of Pennsylvania.



Independent Director

Board and Committee Membership	Attendance	Age	Director Since	2020 Total Compensation	Value ¹ of Common Shares	Value ¹ of LTIP Units	Total Value ¹ of Common Shares and Director DSUs	Value as Multiple of Retainer or Salary ⁵	Share Ownership Requirement met ⁵
Board	8 of 8 (100%)	65	March 3, 2015 (7 years)	\$183,687	\$306,360 (12,000) ²	\$1,212,113 (47,478) ³	\$1,518,473 (59,478) ⁴	9.32x	Yes
Chair, HR Committee	5 of 5 (100%)								

Past Annual Meeting Voting Results:

2021: 99.92% votes For

¹ Values are calculated as at December 31, 2021 using the closing Share price of \$25.53 per Unit or Share

² Number of Common Shares

³ Number of Director DSUs

⁴ Number of Common Shares and Director DSUs

⁵ Annual retainer is USD\$130,000 and converted using an exchange rate equal to the average closing rate determined by the Bank of Canada for the five business days preceding the grant date. Share ownership requirement is four times annual retainer within four years of appointment, or within four years of an increase to the annual retainer, whichever is later

Dale Ponder

Ontario, Canada

Dale Ponder is a corporate director and the recently retired Co-Chair of Osler, Hoskin & Harcourt LLP (“Osler”), a leading Canadian business law firm. She is also the immediate past chief executive and managing partner of Osler. Ms. Ponder’s legal practice experience has focused on mergers and acquisitions, capital markets, securities regulation and corporate governance. She has had extensive experience throughout her career leading transactions relating to public and private mergers and acquisitions matters and advising boards of public companies. She also has been an advocate for women in leadership in the profession throughout her career. Ms. Ponder is a trustee of Choice Properties REIT and is a member of the board of Holland Bloorview Kids Rehabilitation Hospital and the Caldwell Partners Top 40 advisory board. She is also chair of the Canadian Business Growth Fund.



Independent Director

Board and Committee Membership	Attendance	Age	Director Since	2020 Total Compensation	Value ¹ of Common Shares	Value ¹ of LTIP Units	Total Value ¹ of Common Shares and Director DSUs	Value as Multiple of Retainer or Salary ⁵	Share Ownership Requirement met ⁵
Board	8 of 8 (100%)	65	February 9, 2016 (6 Years)	\$195,000	\$51,060 (2,000) ²	\$572,076 (22,408) ³	\$623,136 (24,408) ⁴	3.56x	Has until July 2024 to fulfill ownership requirement
HR Committee	5 of 5 (100%)								
Chair, Governance Committee	4 of 4 (100%)								

Past Annual Meeting Voting Results:

2021: 99.91% votes For

Other Directorship of Publicly-Owned Entities:

Choice Properties REIT – Trustee and member of the Audit Committee

¹ Values are calculated as at December 31, 2021 using the closing Share price of \$25.53 per Unit or Share

² Number of Common Shares

³ Number of Director DSUs

⁴ Number of Common Shares and Director DSUs

⁵ On July 1, 2020, compensation for Canadian resident Directors (excluding the Board Chair) increased. Share ownership requirement is four times annual retainer within four years of appointment, or within four years of an increase to the annual retainer, whichever is later. As a result of the increase in July 2020, Ms. Ponder is obligated to meet the new share ownership requirement by 2024

Compensation of directors

2021 board compensation

The Company's Director compensation program is structured to compensate Directors appropriately for their time, commitment and responsibility as Board members and to remain competitive with director compensation practices. The program is designed to attract and retain committed and qualified directors and to align their compensation with the long-term interests of the Shareholders. Directors who are employees of the Company receive no additional compensation for serving as Directors.

The following represents the annual Board compensation for all independent Board members:

Components	2021 Board Compensation ¹
Annual Retainer	US Board Members – USD\$130,000 Canadian Board Members – CAD\$175,000 Board Chair – CAD\$280,000
Annual Committee Chair Fee	US Board Members – USD\$15,000 Canadian Board Members – CAD\$20,000
Quarterly Travel Fee for Directors resident outside of Ontario ²	US Board Members—USD\$1,500 Canadian Members—CAD\$2,000
Out-of-pocket expenses for attending meetings	In applicable currency
Payment of Board Fees	One half of all Director compensation is paid in the form of Director DSUs and Directors may elect to receive all of their compensation in the form of Director DSUs

¹ Canadian Board members paid in CAD currency and American Board members paid in USD currency. Exchange rate fluctuations monitored annually and updated as applicable

² Due to the COVID-19 pandemic, travel fees were suspended until November 2021 as Board meetings were all held virtually

Director Phantom Plan

Under the Director Phantom Plan, non-employee Directors can elect to receive all or 50% of their compensation in Director Phantom DSUs in lieu of cash compensation. This plan is a cash settled plan and, with the exception of discretionary Director Phantom DSUs approved by the HR Committee from time to time, all Director Phantom DSUs vest on their grant date and cannot be redeemed for cash until the Director leaves the Board. Director Phantom DSUs are not Shares, cannot be converted into Shares and do not carry voting rights.

Directors' fees are paid on a quarterly basis and, at the time of each quarterly payment, the applicable amount is converted to Director Phantom DSUs. A Director Phantom DSU is a unit that has a value based upon the fair market value of one LifeWorks Share. Pursuant to the Director Phantom Plan "fair market value" of a Share is equal to volume weighted average trading price of a Share on the TSX for the five business days preceding the applicable date. The cash redemption value of a Director Phantom DSU equals the fair market value of a LifeWorks Share at the time of redemption. If cash dividends or distributions are paid on the Shares, additional Director Phantom Units will be credited to each Director's account. Director Phantom DSUs will count towards the Directors' share ownership requirement outlined below.

The following table is a summary of compensation earned in 2021 by the Directors of the Company, excluding those who were Company employees:

Director	Fees Earned		Total Compensation (\$)
	Cash (\$)	Shares ¹ (\$)	
Brad Levy ³	0	140,268	140,268
Chitra Nayak ³	70,134	70,134	140,268
Dale Ponder	97,500	97,500	195,000
Jill Denham	140,000	140,000	280,000
Kevin Pennington ³	0	183,687	183,687
Kish Kapoor ²	71,786	48,750	120,536
Luc Bachand ⁴	143,319	91,319	234,637
Robert Courteau	65,625	100,815	166,440
Ron Lalonde	97,500	97,500	195,000

¹ Share-based awards are in the form of Director DSUs. Amounts are calculated using the grant date award value. Pursuant to the Director DSU Plan, notional distributions are made on Director DSUs (in the form of additional Director DSUs) equivalent to dividends paid on the Common Shares. Notional distributions on those awards are excluded from the above table. One half to 100% of a Director's compensation is paid in the form of Director DSUs, which vest immediately

² Kish Kapoor stepped down as a Director, effective May 14, 2021

³ Fees paid in USD are converted using the average closing exchange rate determined by the Bank of Canada for the five business days preceding the payment or grant date

⁴ Includes \$91,319 cash compensation earned for serving on the board of LifeWorks Inc. and the balance of \$52,000 for serving on the board of LifeWorks Investment Management Ltd.

Share ownership requirements

The Board believes that Directors should have an equity interest in the Company in order to align their interests with the interests of Shareholders. Please see the Section above entitled "Election of Directors" for full details. The share ownership requirements for Directors are four times their annual retainer within four years of their appointment, or within four years of an increase to the annual retainer, whichever is later. The Company retains Kingsdale Advisors to review the Board ownership policy annually.

Directors' liability insurance and indemnification

The Directors and officers of the Company and its subsidiaries are covered under Directors' and Officers' Liability insurance for a total amount of \$50 million. Under the policy, each entity has reimbursement coverage to the extent that it has indemnified their directors and officers. The policy includes securities claims coverage, insuring against any legal obligation to pay on account of any securities claims brought against the Company and any of its subsidiaries and their respective Directors and officers. The total limit of liability is shared among the Company and its subsidiaries and their respective Directors and officers so that the limit of liability is not exclusive to any one of the entities or their respective Directors and officers. The by-laws of the Company and its subsidiaries provide for the indemnification of their Directors and officers from and against liability and costs in respect of any action or suit brought against them in connection with the execution of their duties of office, subject to certain limitations. Further, indemnification agreements supporting the foregoing obligations have been provided to each Director by the Company.

Interest of informed persons in material transactions

To the knowledge of the Directors, other than as disclosed in this Management Information Circular, no informed person, Director or proposed nominee for election as a Director, or any associate or affiliate of any such persons, had a material interest, direct or indirect, in any transaction since the commencement of the Company's most recent fiscal year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

Board committee report

Human resources committee report

The role of the HR committee

The Board of Directors has overall responsibility for executive compensation at LifeWorks and delegates certain responsibilities to the independent HR Committee. The HR Committee is responsible for oversight and governance of the compensation programs and practices at LifeWorks, including recommending to the Board the appropriate compensation for the CEO and determining the appropriate compensation of all other members of executive management. The HR Committee received the support and expertise of the CEO, the Chief Human Resources Officer and Executive Vice President, as well as of external advisors that the HR Committee, at its discretion, deemed appropriate. In addition, the HR Committee considered a variety of additional important factors, including the business strategy of the Company, competitive market forces, internal business needs and established governance practice.

Meetings

The HR Committee met five times during 2021 to review and carry out its objectives relating to its mandate. Members of management, including the Chief Human Resources Officer and Executive Vice President, and the CEO, attended meetings at the invitation of the HR Committee Chair and were excused for portions of the meeting in order for the HR Committee to conduct discussions and deliberations independently.

Composition

In 2021, the HR Committee consisted of Kevin Pennington (Chair), Luc Bachand, Dale Ponder and Robert Courteau. The members of the HR Committee are independent and have never been employees or officers of the Company or its subsidiaries.

The following is a description of the skills, education and experience of each 2021 HR Committee member that qualified them to fulfill these roles and responsibilities:

- Throughout his more than 35-year career, Kevin Pennington has held progressively senior human resources roles focused on recruiting, retention, talent management and compensation matters in both the United States and Canada. In 23 of those years, as CHRO, he worked closely with the human resources committees of the following boards: (1) Agere Systems Inc., an integrated circuit components company; (2) Rogers Communications Inc., the leading Canadian wireless telecom, cable and media company; and (3) Fiserv, a global technology provider for the financial services industry.
- Dale Ponder is the recently retired Co-Chair of Osler, Hoskin & Harcourt LLP and for more than 20 years served on the firm's Partnership Board. She is the immediate past Managing Partner and Chief Executive of Osler, a position she held for 9 years. In her role as National Managing Partner, she was broadly responsible for the firm's professional talent and the development and approval of the firm's compensation policies. In consultation with other executives, Ms. Ponder also approved the annual compensation of the firm's non-legal staff. She also sat on the firm's Partner Compensation Committee for 10 years and prior to becoming National Managing Partner, chaired the firm's Legal Professionals Committee and was responsible for all human resources functions relating to the firm's associate lawyers, including performance reviews, compensation, promotion and recruitment. Ms. Ponder was a board member and chair of the Compensation and Governance Committee of the Canadian Real Estate Investment Trust. She is also a member (and the former chair) of the Compensation and Governance Committee of the Canadian Business Growth Fund.
- During his career of more than 33 years with BMO Financial Group, Luc Bachand held leadership positions in the Capital Markets division where he was responsible for the supervision, performance reviews, compensation, promotion and recruitment of a number of employees. He was also a member of the Performance Committee of the organization. As well, Mr. Bachand was a member of the HR & Pension Committee of the Investment Industry Regulatory Organization of Canada during his tenure on that board from 2013 to 2016.

- Mr. Courteau has over 25 years of experience in leadership positions including as CEO of Altus Group Limited where he was responsible for the supervision, performance reviews, compensation and promotion of a number of senior level and executive employees. At SAP, he held a variety of global positions with expertise gained in leading executive teams worldwide. He has also been a member of the Kinaxis Inc. board of directors' Compensation Committee since 2017 and chaired the Real Matters board of directors Human Resource and Compensation Committee.

Key responsibilities and activities for 2021

Key Responsibilities	Key Activities
<p>Oversight and governance of compensation programs and practice</p>	<ul style="list-style-type: none"> • Reviewed and approved LifeWorks' compensation philosophy • Reviewed and approved LifeWorks' comparator peer group(s) for executive compensation benchmarking • Initiated and oversaw the implementation of a redesign of the STIP and LTIP PSU plans for Executives for alignment with Total Rewards Philosophy under the Five-Year Strategic Business Plan • Reviewed and approved Annual Incentive Plan funding and the alignment of funding to the achievement of agreed financial metrics • Conducted periodic evaluations of progress against objectives and annual bonus incentive compensation plan payouts • Reviewed and approved annual LTIP pool and, subsequently, annual and off-cycle LTIP grants • Reviewed share ownership requirement compliance by the CEO and executive management • Undertook a market review of the share ownership requirement policy and approved the resulting introduction of a new Common Equity Share Ownership requirement. As a result of the implementation of the common equity requirement, a voluntary redemption of vested DSUs granted under a closed long term incentive plan was offered to senior leaders to help better align executive and Shareholder interests. More details under the "Share Ownership Guidelines" section below • Reviewed Annual Report of the Management Pension Committee • Conducted an external review of future executive compensation consulting support. This resulted in the selection of a new compensation consultant, Willis Towers Watson • Conducted CEO pay-for-performance analysis • Responded to the Canadian Coalition for Good Governance with regards to transparency in how one-time adjustments to EBITDA are considered in compensation planning and implemented recommendations to enhance transparency in this area, including formalizing this process within the annual compensation decision making meeting
<p>Reviewing and recommending compensation performance goals and objectives for the CEO and executive management, assessing their performance against objectives and recommending their compensation</p>	<ul style="list-style-type: none"> • Reviewed and approved annual CEO performance evaluation criteria and recommendations provided to the Board for approval • Reviewed CEO's performance against performance evaluation criteria and recommended Annual Incentive Plan award and LTIP grant to the independent Directors of the Board for approval, including approval of how one-time adjustments to earnings would impact CEO compensation • Reviewed the CEO's recommendations in respect of compensation for executive management, in light of achievements against objectives, and recommended approval of Annual Incentive Plan awards and LTIP grants, including approval of how one-time adjustments to earnings would impact Executive compensation

Key Responsibilities	Key Activities
<p>Developing and maintaining succession plans for the CEO and executive management roles</p>	<ul style="list-style-type: none"> • Reviewed succession plans for executive management roles and the CEO, including emergency succession for the CEO • Reviewed and approved talent management philosophy • Reviewed assessment of incumbents and succession candidates for each executive management position and development plans, including a review of the diversity of the talent pipeline • Reviewed and approved Q4 changes to Executive Management structure to align to the new strategic business plan
<p>Ensuring strong governance relating to matters under the HR Committee’s mandate</p>	<ul style="list-style-type: none"> • Reviewed HR Committee Charter and aligned annual work plan to ensure all matters were being addressed • Evaluated LifeWorks’ executive compensation program against best practices as well as policies of proxy advisory firms • Reviewed LifeWorks’ three-year Inclusion & Diversity Strategy and progress against 2021 deliverables • Reviewed the report of the HR Committee and the Compensation Discussion and Analysis and Compensation of Named Executive Officers disclosure • As part of the annual Board assessment process, conducted an annual HR Committee self-evaluation process

Corporate governance practices

Statement of corporate governance practices

The following is a discussion of the Company's corporate governance practices with reference to National Policy 58-201 – *Corporate Governance Guidelines* and National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, which have been adopted by the Canadian Securities Administrators. The Company's approach to governance considers both the Company and its underlying entities.

Board and committee membership and meetings

The Board is currently composed of nine Directors. If all Directors currently listed on the form of proxy are elected at the Meeting, the Board will comprise nine Directors. Of the nine Directors, the majority are "independent" within the meaning of National Instrument 58-101, being free from any direct or indirect material relationship with the Company, and its subsidiaries. Assuming a Board of nine Directors, there will be eight independent Directors of the Company: Jill Denham, Ron Lalonde, Kevin Pennington, Dale Ponder, Robert Courteau, Brad Levy, Chitra Nayak and Luc Bachand, and one who is not independent by reason of being a member of management (Stephen Liptrap).

Jill Denham is a non-executive Chair of the Board. Effective May 4, 2022, following the Meeting, Ms. Denham will step down as the non-executive Chair of the Board. It is the Board's intention to appoint Mr. Courteau as the new non-executive Chair of the Board after the Meeting effective May 4, 2022. The Board has asked Ms. Denham to remain a member of the Board following the Meeting during a transition period regarding the change in the role of Board Chair. The Board believes that it is a best practice to rotate the role of the Board Chair periodically, while retaining the services of valued Directors.

The independent Directors meet *in camera* at each Board and Committee meeting without management and non-independent Directors. Time is allocated during each regular meeting of the Board for an *in camera* meeting of the independent Directors.

The Board has a written mandate, the full text of which is attached as Schedule "B" (the "Mandate of the Board of Directors"). The Board currently has four standing committees: the Governance Committee, the HR Committee, the Audit Committee and the Risk Committee. The Governance Committee, Audit Committee and Risk Committee each comprise three independent Directors; the HR Committee comprises four independent Directors, and each committee has specific responsibilities and mandates to assist in the governance activities of the Board. Each committee charter can be found on the LifeWorks website at lifeworks.com. According to the Mandate of the Board of Directors, each Director is expected to have a very high record of attendance at meetings of the Board and in 2021, each Director had a 100% attendance at all Board meetings and applicable Committee meetings.

The Board's objective with respect to its composition is to have a sufficient range of skills, expertise and experience to enable it to carry out its functions effectively. To that end, the Board has developed a competencies matrix to identify and assess the desired qualifications of its Board members and candidates.

The Board has determined that a nine-member Board is an appropriate size to facilitate effective dialogue and decision-making. The Chair is not entitled to a second or casting vote in the event of a tie vote in respect of matters to be decided on by the Board.

Skills and experience

The Board seeks to ensure that its Directors possess certain specific skills and experience to assist it in performing functions to oversee the conduct and operations of the Company. The Board, with the support of the Governance Committee, has established the primary areas of experience necessary for the Board to carry out its mandate effectively and these are described in the table below.

Key Skills and Experience	Luc Bachand	Robert Courteau	Gillian (Jill) Denham	Ron Lalonde	Brad Levy	Stephen Liptrap	Chitra Nayak	Kevin Pennington	Dale Ponder
Board Experience	•	•	•	•	•	•	•	•	•
Capital Markets Experience	•		•		•				•
CEO or Executive Strategic Leadership	•	•	•	•	•	•	•	•	•
Cybersecurity ¹		•		•	•	•	•		
Digitalization and Technology ²		•	•		•	•	•		
Environmental, Social and Corporate Governance Experience ³			•	•			•	•	•
Financial Experience	•	•	•	•	•	•			
Legal and/or Risk Management, Identification and Oversight	•	•	•	•					•
Talent Management and Executive Compensation Expertise	•	•	•			•	•	•	•
U.S. and Foreign Market Knowledge ⁴	•	•	•	•	•	•	•		

¹ Cybersecurity – experience or knowledge relating to data security and privacy needs of a major organization

² Digitalization and Technology – experience or knowledge relating to information technologies, emerging technologies, digital technologies and other technology developments used in becoming a digital enabled service provider

³ Environmental, Social and Corporate Governance Experience – experience or knowledge in environmental, sustainability, corporate governance and/or social responsibility practices and impacts on various stakeholders at a major organization or acquired in a consulting, academic or not-for-profit context

⁴ U.S. and Foreign Market Knowledge – experience acquired in the management or oversight of an entity with international operations, or the management of an entity based outside of Canada

Orientation and continuing education

To ensure Board members have knowledge of the business and the role of the Board needed to function effectively, each new Board member receives a comprehensive orientation, including extensive materials and presentations about the Board and LifeWorks' business operations, as well as meetings with the Chair, CEO and other key members of management.

Board members regularly receive updates about LifeWorks' business, the industry and ongoing projects. Detailed presentations about various operations and business issues are made from time to time by management to the Board. Directors have opportunities to meet with management for both formal and informal discussions. Board members are encouraged to develop their skills on a continuing basis and attend appropriate Director or other educational programs. Education events for Directors are provided by the Company throughout the year on relevant industry-related topics. Material is provided to Directors for review prior to the event and event presenters are available to all Directors for follow-up, if necessary, particularly in circumstances where Directors have been unable to attend. Each Director attended all board education sessions in 2021.

The following is a list of educational events attended by Board members in 2021:

Date	Topic/Event	Luc Bachand	Robert Courteau	Gillian (Jill) Denham	Ron Lalonde	Brad Levy	Stephen Liptrap	Chitra Nayak	Kevin Pennington	Dale Ponder
March 10, 2021	iCBT business trends update	•	•	•	•	•	•	•	•	•
May 13, 2021	Leveraging global capabilities	•	•	•	•	•	•	•	•	•
May 13, 2021	Company branding review	•	•	•	•	•	•	•	•	•
May 13, 2021	Cyber risk landscape	•	•	•	•	•	•	•	•	•
November 11, 2021	Wellbeing services & products market	•	•	•	•	•	•	•	•	•
November 11, 2021	Cybersecurity and ransomware presentation	•	•	•	•	•	•	•	•	•
November 11, 2021	Governance landscape	•	•	•	•	•	•	•	•	•

Position descriptions

The roles and responsibilities of the following key positions have been documented in the mandate of the Board of Directors and the committee charters: Chair of the Board, CEO, Chair of the Audit Committee, Chair of the HR Committee, Chair of the Governance Committee, and Chair of the Risk Committee.

The role of the Chair of the Board includes chairing meetings of the Board and Shareholders, ensuring that the Board carries out its responsibilities effectively pursuant to the mandate of the Board of Directors, providing direction in establishing the schedule and agendas of Board meetings, and liaising with the CEO.

The primary responsibilities of each of the chairs of the Audit Committee, the HR Committee, the Governance Committee, and the Risk Committee include ensuring the respective committee carries out its responsibilities effectively pursuant to its committee charter, liaising among their respective committees and the Board and management of the Company, liaising with external advisors, including auditors in the case of the Audit Committee, and acting as chair of meetings of their respective committees.

The CEO's responsibilities include setting the short- and long-term strategic direction of the Company and its core values, providing leadership for the overall management, profitability and growth of LifeWorks, assessing risk and, on behalf of the Company, being accountable to and communicating with Shareholders, key clients, government entities, employees and the public.

Executive succession planning

A critical responsibility of the Board and the HR Committee is to ensure a comprehensive succession plan is in place for the CEO and for executive management roles. Under the HR Committee's mandate, it has responsibility to annually review and approve the Company's succession, management development and diversity plans with respect to executives.

To fulfill this responsibility, the HR Committee meets with the CEO annually to review the succession plan for all executive management positions, including that of the CEO. The plan includes identifying potential succession candidates available in the short and long term, for each executive management position. For each executive of these positions, it also identifies candidates who could assume the role in the short term should unexpected events leave such roles vacant earlier than expected. Where there is a talent gap or risk, steps for mitigating such risk are included in the plan.

During these reviews, talent assessments and development plans for key succession candidates are discussed as is the diversity of the succession candidate pool. Plans are put in place to fill identified gaps, including developmental moves/assignments to acquire necessary experience, executive coaching, external courses or mentoring. Where it is determined gaps cannot be filled from within, plans may include launching an external search.

Talent strategies and specific talent requirements to enable achievement of longer-term strategic objectives continue to be discussed throughout the year.

The Board of Directors and the HR Committee members are exposed to and have the opportunity to meet identified succession candidates and key talent in informal, formal and virtual meetings.

Governance committee

The Governance Committee assists Directors by developing LifeWorks' approach to governance.

In the area of Board nominations, the Committee is responsible for, among other matters:

- (i) identifying and proposing candidates for Board vacancies and considering candidates with a mix of expertise, experience, skills and backgrounds including taking into account diversity considerations;
- (ii) ensuring that an orientation program is in place for new Directors to familiarize them with LifeWorks' business, management, facilities and advisors;
- (iii) reviewing and making recommendations in respect of the Board diversity policies and objectives; and
- (iv) periodically reviewing the effectiveness of Directors and the contribution of individual Directors.

In order to identify appropriate Board candidates, the Governance Committee has established the desired skill sets, experience and qualifications for the Board in the form of a competencies matrix. This determines the extent to which the current Board composition meets the desired qualities. Should the Governance Committee conclude that changes or additions to the Board composition are desirable, it will identify the desired qualities and seek out suitable candidates for recommendation to the Board for nomination. The search process may involve the engagement of external consultants, as well as potential candidates known to the Board members, management of the Company or their respective advisors. The Governance Committee currently comprises Dale Ponder (Chair), Ron Lalonde and Jill Denham.

HR committee

The HR Committee assists Directors by developing LifeWorks' approach to governance relating to the evaluation of the Company's human resources strategies, policies and procedures, including the evaluation of the performance and compensation of the Company's executive management committee.

In the area of compensation, the HR Committee is responsible for, among other matters:

- (i) overseeing the appointment, termination and compensation of executive management of LifeWorks;
- (ii) annually reviewing the CEO's goals and objectives for the upcoming year, providing an appraisal of CEO performance and reviewing compensation;
- (iii) approving awards to executive management under incentive plans;
- (iv) reviewing key human resources policies and programs and practices;
- (v) reviewing and approving the Company's workplace diversity and inclusion plans and policies for matters relating to the diversity of executive management including reviewing the annual cumulative progress in achieving any targets; and
- (vi) making recommendations regarding the operation of long-term incentive plans.

The HR Committee currently comprises Kevin Pennington (Chair), Dale Ponder, Luc Bachand and Robert Courteau.

Audit committee

The Audit Committee assists the Directors in fulfilling their responsibilities for oversight of the accounting and financial reporting practices and procedures of the Company, the adequacy of internal accounting controls and procedures, and the quality and integrity of the financial statements of the Company. In addition, the Audit Committee is responsible for directing the auditors' examination of specific areas and for the selection of independent auditors of the Company.

All members of the Audit Committee are financially literate within the meaning of applicable securities laws. This Committee is also responsible for adopting, periodically reviewing and updating the Company's written disclosure policy. The Audit Committee currently comprises Luc Bachand (Chair), Robert Courteau and Brad Levy.

Risk committee

The Risk Committee assists the Directors in fulfilling their responsibilities for oversight of the enterprise-wide risk management function of the Company including oversight of the development, implementation and periodic assessment of policies, processes and controls designed to identify and effectively manage the significant risks to which the Company is exposed, including strategic, operational and reputational risks. The Risk Committee is responsible for, among other matters:

- (i) reviewing the principal risks with management and assessing whether the key risks of the Company have been identified;
- (ii) regularly monitoring that the risk profile is within the agreed risk appetite of the Company;
- (iii) reviewing the Company's compliance with its risk management policies including those relating to information technology and security policies and procedures and the environmental, social and governance (ESG) program and performance;
- (iv) overseeing the development, implementation and periodic assessment of the policies, processes and controls for risk management in the Company's subsidiaries and affiliates; and
- (v) undertaking such other initiatives as may be necessary or desirable to enable the Board to provide effective risk management governance.

The Risk Committee currently comprises Ron Lalonde (Chair), Brad Levy and Chitra Nayak.

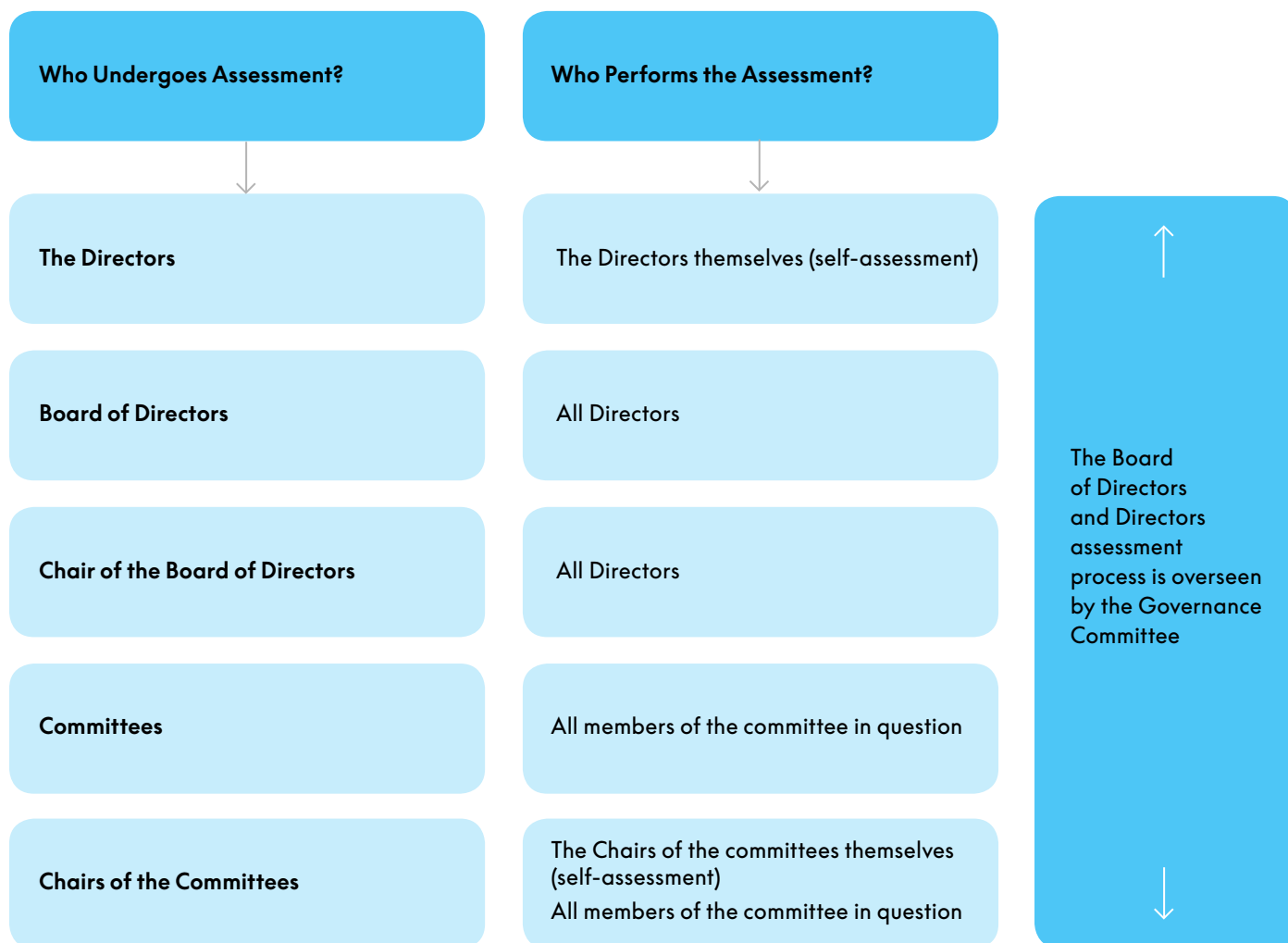
Assessments

The Board is responsible for conducting regular annual assessments to review the overall performance, effectiveness and contribution of the Board, each Board committee, each committee chair and the Chair of the Board, as well as a peer assessment of each individual Director. The objective of these assessments is to ensure the continued effectiveness of the Board in the execution of its responsibilities and to contribute to a process of continual improvement. The Governance Committee of the Board conducts this annual review.

Every two years, including in 2021, the Governance Committee conducts a written annual survey as outlined above according to the following process:

- surveys are completed by each Director;
- surveys are collected by the Chair of the Governance Committee;
- the Governance Committee develops a report compiling the survey results, feedback from Directors and recommendations resulting from the assessment process, which are then considered collectively by the Board;
- the Board discusses and implements certain recommendations for improving Board effectiveness;
- the Chair of the Board meets with each Director individually to discuss the Board's and their own effectiveness; and
- the Chair of the Governance Committee addresses the issues raised and works with the Board on these issues, reporting back to the Board as appropriate.

Every other year, the Governance Committee conducts oral interviews with Board members based on the survey questions referenced above. Following these interviews, the Governance Committee prepares a report compiling the interview results, feedback from Directors and recommendations resulting from the assessment process, which are then considered collectively by the Board. The Board implements those recommendations that are approved. The Board Chair then interviews each Director to discuss the results of the assessment process and to solicit feedback.



Code of business conduct and ethics and whistleblower policy

The Company has a Code of Business Conduct and Ethics (the “Code”) that establishes the high ethical standards to which all Directors, officers, employees and independent contractors of the Company and its subsidiaries are expected to follow. The full text of the Code is available to all Directors, officers and employees and is posted on the Company website at lifeworks.com.

The Code states that Directors, officers, employees and independent contractors are expected to speak with supervisors, managers or other appropriate employees about concerns they may have in respect of illegal or unethical behaviour, and when in doubt, about the best course of action to follow in any particular situation. It is the policy of LifeWorks to forbid retaliation for reports of such conduct made in good faith. It is, at the same time, unacceptable to file knowingly a false report.

The Company also has a Whistleblower Policy that establishes a confidential complaint procedure so that an employee or independent contractor can report a concern about any accounting or auditing matter or any other matter which they believe is in violation of the Code through a third-party hotline (via the internet or by phone). This provides employees and independent contractors access to a separate, independent third party to maintain confidentiality and the security of anonymity, without fear of personal or professional reprisal. The resulting confidential report is then forwarded to the General Counsel for investigation. The General Counsel in turn is required to report all such concerns and complaints to the Chair of the Audit Committee for discussion at the Audit Committee meeting, as applicable. These concerns and complaints are also reported to the Chair of the Risk Committee for discussion, as appropriate, at the Risk Committee meeting.

Directors, officers, employees and independent contractors are annually reminded of the Code and other key policies of LifeWorks and are required to either attest online or acknowledge in writing their continued compliance. Management reports to the Board any violations of the Code or any other inappropriate conduct affecting the Company. All employees and independent contractors are required to complete annual online training sessions including those relating to the Code and other corporate policies.

The Board's mandate and the Code each contain provisions relating to addressing actual or potential conflicts of interest. Generally, any Director or officer is required to disclose any actual or potential conflict of interest and, if applicable, to refrain from voting in respect of such matter.

Related-party transactions

Pursuant to the Code, employees, officers and Directors must avoid any situation that would place them in a situation of conflict of interest, which includes related party transactions. In addition, the Company conflict of interest guidelines for Directors require that Directors report any real or potential conflict of interest, which includes related party transactions. Should an actual or potential conflict of interest arise, including a related party transaction, a Director must provide disclosure on a timely basis of the nature and extent of the conflict and must withdraw from any discussion and not vote on such matter. The Code provides that executive officers are also required to disclose any actual or potential conflict of interest, including related party transactions, to the General Counsel, who is responsible for administering the Code. In addition to the Code, each Director and executive officer must complete a questionnaire annually certifying the absence of conflict or related party transaction or providing sufficient disclosure. LifeWorks' finance and legal departments work together to review any related party transactions reported by Directors or executive officers of the Company. The Audit Committee has the mandate to (1) oversee the establishment of policies and procedures for the approval of related-party transactions, (2) review any significant related-party transactions, and (3) review any actual and potential conflicts of interest to verify their propriety and that disclosure is appropriate. As at December 31, 2021, the Company does not have any material related party transactions other than those as disclosed in note 23 of the annual consolidated financial statements.

Enterprise diversity statement

- The Board of Directors and the Company believe that an inclusive culture, diverse workforce and equitable policies, programs and practices are critical to its purpose of improving lives and improving business, and to achieve sustainable growth
- The Board has codified its commitment to inclusion and diversity by adopting a Board Diversity Policy and by continuing to be a proud member of the 30% Club Canada
- The Board Diversity Policy sets a target representation of at least 30% women and 30% men on the Board
- Consistent with the Board's policy, the Company has set a target representation of at least 30% women and 30% men on of the Global Leadership Team
- The Company has met and exceeded these gender representation targets
- The HR Committee monitors the Company's practices for supporting an inclusive and diverse workplace
- The Company's Diversity, Equity, Inclusion & Belonging ("DEIB") Council provides oversight to the DEIB Strategy and action plan

As a global total wellbeing company, servicing clients in more than 160 countries, LifeWorks and its Board believe that an inclusive workplace culture, where individual uniqueness is celebrated and where everyone belongs, is critical to employee wellbeing and their readiness to perform at their best. LifeWorks recognizes the importance of having a diverse Board and workforce at all levels who understand the needs of the Company's global client base. The Company sees diversity, equity, inclusion and belonging as a source of competitive advantage, one that offers access to top talent, higher employee engagement and wellbeing, deeper client insights, better decision-making and greater innovation, all of which fuel sustainable growth.

The HR Committee monitors Company practices for supporting an inclusive and diverse workplace on an ongoing basis and makes recommendations for improvement, as appropriate. The Company's DEIB Council, chaired by an EVP and sponsored by the CEO, provides oversight of DEIB Strategy and the execution of a multi-year action plan. The plan includes training at all levels, starting with the Executive and Global Leadership teams, which are now complete, a series of global speaker events to build awareness, the creation of safe spaces for dialogue among designated groups and allies that were launched in 2021, the integration of inclusion and diversity in the Company's talent, operational and market-facing processes, and strategic support of community efforts to create a more inclusive world.

As of December 31, 2021 women represented:



In Q4 2021, LifeWorks implemented a new Human Capital Management system globally, enabling the collection of global workforce diversity data on a self-identification basis. Once sufficient data is collected in 2022, the Company will be able to better understand representation on dimensions of diversity beyond gender, across all levels and functions, and set goals to close gaps where they may exist.

Board diversity

The Board continues to make diversity a priority when considering Director candidates. It believes that diversity leads to a broad array of perspectives that promote innovation and business success and is important in maintaining the Company's competitive advantage. The Board also believes that diversity can enhance decision-making and strategic planning and that a diverse Board can enhance corporate governance. When identifying candidates for appointment or re-election to the Board, the Governance Committee complies with the Board Diversity Policy and its objectives, and accordingly will:

- 1) consider diversity criteria including gender, ethnicity, geographic background, Indigenous identity, age and disabilities; and
- 2) only consider candidates who are highly qualified based on their expertise, experience, knowledge, skills and background.

The Board has not adopted a term limit or retirement policy for Directors as these limits may be arbitrary for membership and can impede Board effectiveness and the contributions of individual Directors. The Board reflects a diverse and highly engaged group of Directors with a wide range of skills and experience, which continues to evolve. See the "Key Skills and Experience" matrix above. In addition, 33% of the Directors joined the Board within the last two years, which allows for fresh perspectives together with institutional knowledge.

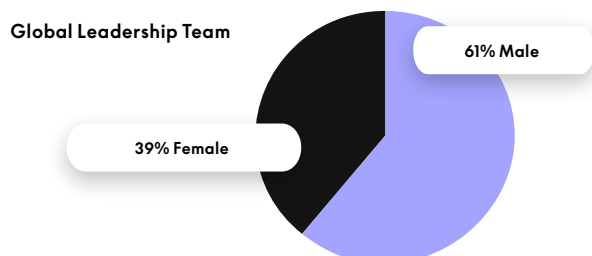
LifeWorks' Board is a proud member of the 30% Club Canada and in March 2018, the Governance Committee codified the Board's diversity commitment in a Board Diversity Policy, which set a target of maintaining at least 30% women and 30% men on the Board. The Board Diversity Policy is reviewed annually and can be found on the Company's website at lifeworks.com.

When identifying potential candidates, the Governance Committee may, in addition to its own search, seek advice from, and engage, experienced and independent search consultants to assist with the identification of potential Board candidates who reflect the Board's diversity objectives. The Governance Committee reviews any anticipated Director vacancies in the context of the Board Diversity Policy and representation objectives and, in the past two years, it has specifically considered diverse candidates as part of its recruitment searches. Currently, the Board Chair and the Chair of the Governance Committee are women. Three of the eight independent Directors named on the proxy are women, making up 38% of the independent Board members and, in total, three of the nine Directors are women, representing 33% of the Board. In addition, currently 11% of the Board are members of racial or ethnic minorities.

The Company's Board believes that it can best achieve optimal Board performance and effectiveness by maintaining a robust Board and individual Director evaluation and feedback process, along with regularly reviewing Board composition and existing Board member competencies against current and anticipated needs. The Governance Committee annually assesses the expertise, experience, skills, background and diversity of its Directors in light of the needs of the Board. Annually, the Governance Committee will measure and report to the Board with respect to the Board's progress in achieving the objectives of its Diversity Policy.

Executive and global leadership team diversity

In alignment with the Board, diversity is embedded in the executive officer and Global Leadership Team talent management processes. The Company is committed to achieving gender-balanced leadership at the Board, executive and senior leadership levels. The goal is to have at least 30% women and 30% men at the executive and Global Leadership Team levels. When the CEO and the Board seek potential executive leadership candidates, and the CEO and executive team seek potential Global Leadership Team candidates, due consideration is given to the experience, skills and qualifications required for the role, as well as the different dimensions of diversity including gender, ethnicity, age, religion, sexual orientation, disability and experience. As of December 31, 2021, women comprised 30% of executive officer roles and 39% of Global Leadership Team roles.



Environmental social governance and sustainability; corporate social responsibility

Ethical conduct, strong corporate governance and corporate social responsibility (“CSR”) are fundamental to LifeWorks’ business. Building on its strong record of environmental, social and governance (“ESG”) performance, the Company delivered on its multiple goals of: strengthening ESG governance; continuing to grow the foundation of ESG-related policies and setting clear expectations for behaviour across the organization; enhancing the Company’s reporting; and strengthening the level of awareness of ESG priorities and performance among the Company’s stakeholders. Its progress is reflected in ESG ratings received over the past year, including an 80th percentile ranking in the Professional Services category, based on the Company’s inaugural submission to the S&P CSA, and continuing improvements in LifeWorks’ Sustainalytics risk rating ranking of 34th out of 443 companies assessed in the Commercial Services universe. In recognition of sustainability achievement, LifeWorks also received a Bronze-level designation from EcoVadis. LifeWorks continues to advance its work across all areas of ESG performance and is pleased with the accomplishments made to date, including:

ESG governance

- Advancing thought leadership focused on mental health and ESG performance. A leader in the movement of mental health from a corporate responsibility issue to a material ESG risk, LifeWorks is a key contributor to *One Mind at Work* and, in collaboration with leading ESG organizations, supports the development of reporting standards that recognize the critical role of mental health.
- Launching the LifeWorks Supplier Code of Conduct to reflect the Company’s commitment to ethical and responsible procurement and to support the Company’s vendor risk management program. Beginning in 2022, suppliers to LifeWorks will be expected to meet a comprehensive set of requirements spanning ethical conduct, privacy and data protection, employment practices, human rights, workplace inclusivity, and no forced labour/modern slavery or child labour, as well as requirements pertaining to occupational health and safety, and environmental stewardship. LifeWorks top-tier suppliers will also be asked to complete a comprehensive third-party assessment of ESG-related information through EcoVadis.
- Delivering strong ethical compliance performance, meeting the target of 100 per cent employee sign-off on the Code of Business Conduct and Ethics and recording zero substantiated cases of corruption and bribery in 2021.

Social and community

- Maintaining LifeWorks' programs to support the health and wellbeing of employees during the second year of the pandemic and providing employees with paid time off to receive COVID-19 vaccinations. The Company has implemented a mandatory vaccination policy for employees based in North America to support a safe return to the office.
- Advancing the Company's Diversity, Equity, Inclusion and Belonging strategy through an intense focus on anti-racism training for the Global Leadership Team. LifeWorks also launched its enterprise-wide "Count Yourself In" initiative to encourage employees to self-identify their diversity communities.
- Completing the first full year of LifeWorks' employee Empathy Circle program, also known as Employee Resource Groups, exceeding expectations and providing employees with a safe space and to share and celebrate things that matter.
- Launching LifeWorks new Workplace Strategy Index, an online self-assessment tool that determines the extent to which an organization's mental health and wellbeing policies and infrastructure align with recognized standards and practices.
- Benchmarking and reporting the health and wellbeing of the Company's workforce against the Company's Mental Health Index™ and Total Wellbeing Index™.
- Continuing LifeWorks' partnerships with the governments of Manitoba and Ontario to provide internet-based Cognitive Behavioural Therapy to help residents manage their mental health during the pandemic.
- Renewing LifeWorks' longstanding relationship as the official Mental Health Partner for Canada's Olympic Team for an additional eight years. LifeWorks is a founding partner of Game Plan, an initiative providing mental health services to athletes during and after their careers in Olympic sport.
- Renewing LifeWorks' five-year commitment to the United Nations High Commissioner for Refugees to fund the Secondary School for Girls in the Kakuma Refugee Camp, Kenya and contributing to the advancement of UN Sustainable Development Goals of Zero Hunger, Good Health and Wellbeing, Quality Education, Gender Equality, Decent Work and Economic Growth, Reduced Inequalities and Partnership for the Goals.

Environmental stewardship

- Initiating an internal review of the recommendations of the Task Force on Climate-related Financial Disclosures and preliminary greenhouse gas emissions estimates arising from our business.
- Reducing LifeWorks' environmental footprint through its transition to a new LEED Platinum certified corporate head office and increasing the percentage of total occupancy in LEED certified and BOMA facilities.
- Advancing the Company's digital transformation initiative to foster a paperless culture across the Company by extending the program to its U.S.-based offices and continuing to reduce waste and eliminate printing across offices.

Shareholder engagement

LifeWorks and the Board believe that engaging and communicating directly with Shareholders and other stakeholders is important in providing timely and meaningful feedback. The Chair of the Board and the Chair of the HR Committee are available to meet with various corporate governance stakeholders and Shareholders. The CEO and CFO are also available and regularly have discussions with various corporate governance stakeholders and Shareholders to listen to their opinions and concerns. These meetings often involve a dialogue on a variety of topics, including executive compensation issues, corporate governance matters, disclosure practices, Shareholder engagement, risk management and corporate operating results.

Some of LifeWorks' longstanding Shareholder engagement practices include:

- Holding annual Shareholder meetings either in person in Toronto, Canada with accessible live webcast or virtually due to the COVID-19 pandemic;
- Maintaining a telephone investor line and an investors@lifeworks.com mailbox to encourage Shareholders and the public to contact the Company with questions or concerns;
- Holding quarterly earnings conference calls with financial analysts to present financial and operating results for the quarter, with open Q&A sessions. These calls are also available on a listen-only basis via the Company website at lifeworks.com/en/presentations-events; and
- The CEO and CFO participating in numerous investor conferences and one-on-one meetings.

The Board Chair and the Chair of the HR Committee held meetings and/or had communications in 2021 with Shareholders and the Canadian Coalition for Good Governance to discuss executive compensation and governance issues. As part of its open communication objective, the Board and members of executive management are available for discussion with stakeholders and Shareholders via email at investors@lifeworks.com or by telephone at 416-445-2700 or 1-888-667-6328.

As mentioned above, in an effort to safeguard the health and safety of all stakeholders and the broader community associated with the COVID-19 pandemic, the Company has opted this year to proceed with a virtual-only format enabling Shareholders to attend and vote at the Meeting via live audio webcast. Registered Shareholders and duly appointed proxyholders will have the opportunity to attend the Meeting online, submit questions, and vote in real time through a web-based platform instead of attending the Meeting in person. Non-registered or beneficial shareholders who have not appointed themselves as proxyholders will be able to attend the Meeting as guests but will not be able to vote or ask questions. Shareholders are able to submit questions during the Meeting via the web-based platform and following termination of the formal business of the Meeting, the Company will address any appropriate general questions received from Shareholders and duly appointed proxyholders regarding the Company.

Compensation discussion and analysis

The Compensation Discussion and Analysis below describes and explains the Company’s 2021 compensation philosophy, objectives and practices for its CEO, CFO and the three other most highly compensated executive officers (collectively, the Named Executive Officers (“NEOs”)). The discussion in this section mainly concerns compensation of the NEOs. The processes and programs also apply to the other executive management members.

Executive compensation philosophy and program design objectives

LifeWorks has developed an executive compensation philosophy that guides the design of executive compensation programs as follows:

Compensation Philosophy	Design Objective
Attract and retain highly qualified senior executives using a global lens while continuing to evolve our practices due to emerging trends.	Deliver compensation levels that are targeted at the 50th percentile of the relevant market but with leverage to deliver pay that is positioned above or below the median based on individual and business considerations (i.e., expertise, tenure, experience and scope of role)
Foster a “pay for performance” culture by rewarding financial success and growth.	Provide opportunity for above-median compensation when performance is above target and below-median compensation when performance is below target
Reward meaningful results which support the long-term strategy, aligned to shareholder interests	Ensure that a relevant portion of compensation is equity-based combined with minimum Shareholding requirements to promote sustained performance and growth
Should not incent excessive risk-taking or other negative, unintended consequences	Leverage a balance of internal and external performance measures and have clawback provisions in place
Plans should be simple for employees to understand and transparent to Shareholders	Limit the number of performance metrics

The company’s executive compensation program summary

The following table provides an overview of each of the available components of the Company’s executive compensation program:

Compensation Component	Design Objective(s)
Fixed Compensation Base Salary	<ul style="list-style-type: none"> • Provides a compelling offer in order to attract and retain key executive talent required to lead the Company. • Salary is a market-competitive, fixed level of annual compensation that recognizes each executive’s knowledge, skills, scope of work and experience.
Perquisites and Benefits	<ul style="list-style-type: none"> • Provides perquisites and benefits that are generally conservative versus market practices.
Variable Compensation Annual Incentive Plan	<ul style="list-style-type: none"> • Provides an at-risk annual cash award for performance against business objectives for the prior fiscal year as established by the Board of Directors. • Payouts are based on annual enterprise Adjusted EBTDA per Share and Enterprise Revenue (Enabling Functions)/Line of Business (“LOB”) Adjusted EBITDA/LOB Revenue and Enterprise Revenue (LOB leaders), and individual performance (all NEOs).
Long-term Incentive Plan Restricted Share Units & Performance Share Units	<ul style="list-style-type: none"> • Total equity compensation is intended to focus executives on the achievement of the Company’s medium- to long-term objectives in alignment with Shareholder interests. • Total equity granted is based on performance objectives established in the five-year strategic plan targeting to maximize performance potential. • Total equity is comprised of Phantom Restricted Share Units (RSUs) and Phantom Performance Share Units (PSUs). • RSUs vest over a three-year period, after which they are redeemable. • PSU vesting is conditional on performance against targets over a three-year period. • Performance for PSUs is determined over the three-year period and based on Relative Total Shareholder Return (50%) and Adjusted EBTDA per Share growth (50%). • PSUs vest over a three-year period, after which they are redeemable.
Total Compensation Fixed + Variable Compensation	<ul style="list-style-type: none"> • Designed to provide market median total compensation levels when target performance levels are achieved versus peer group. • Total direct compensation to reflect below- or above-market competitive levels based on relative actual and absolute performance expectations versus the market. • Competitive gaps in total direct compensation are considered first to variable components before any fixed component adjustments while achieving targeted mix. • Reviewed at least annually by the HR Committee to ensure that all programs do not encourage excessive risk-taking.

Compensation Component	Design Objective(s)
Share Ownership Share Ownership Guidelines for Executives	<ul style="list-style-type: none"> The Share ownership guidelines are designed to link the interests of executives to those of Shareholders by prescribing minimum holding requirements in the Company's Shares. Requirements must be met within five years. The Share ownership of individual NEOs (as defined below) is reviewed annually by the HR Committee. As a result of that review, in 2021, the Share ownership requirements were amended to include a requirement that 50% of the overall shareholding requirement be met through common shares for EVPs and above. This change was implemented to encourage a culture of ownership and incorporate leading market best practices around shareholder governance. With the introduction of this new requirement, LifeWorks is part of a select few leading organizations that require a common share ownership investment which helps further align senior management interests to shareholder long-term value creation.

Compensation governance & risk management

LifeWorks has structured a comprehensive and disciplined compensation framework, which includes a formal process for risk oversight by the HR Committee. This approach has enabled the Company to encourage its executives to take measured actions to set and achieve significant strategic and growth objectives, without exposing the organization to undue risk.

In line with this approach, the compensation programs are designed to support prudent risk-taking by executives and employees. Key proactive elements of this framework are as follows:

- Periodic review of incentive plans:** Compensation plans are designed to reward desired behaviours and achievement of objectives, with consideration for the Company's business strategy and risk appetite.
- Structured plan design:** Incentive awards are determined based on a review of a variety of indicators of performance, thereby diversifying the risk associated with any single performance metric.
- Application of committee discretion:** The HR Committee has discretionary power to ensure pay outcomes appropriately reflect risk and other unexpected circumstances that may arise during the year.
- Clear objectives connect performance to payout:** There are clear objectives outlined for executives and employees, and their performance relative to those objectives is monitored and measured. Objectives are established taking into account the Company's longer-term business strategy and include non-financial, as well as earnings and revenue measures. Executives are directly accountable for risk assessment and risk management in their respective areas of responsibility.
- Fixed versus variable compensation:** A significant portion of executive compensation is delivered in variable or at-risk compensation, which provides for a strong pay-for-performance relationship.
- Minimum threshold performance:** To further mitigate the risks inherent in short-term incentive plans, corporate, business unit and personal performance thresholds must be achieved in order to receive any cash incentive awards.
- Incentive plan payouts capped:** In addition to a threshold, all short-term incentive plans have a maximum payout for above-target performance. This payout is capped at 3.1 times target which provides a limit to the maximum amount payable under the plan.
- LTIP payout is deferred:** PSUs and RSUs vest over three years. PSUs have the possibility of a zero payout if the performance threshold is not met. RSUs are aligned to Share price and as a result, aligned to Shareholder experience as it relates to Share price.

- **Share ownership guidelines:** Minimum Share ownership requirements have been established for all NEOs and executives.
- **Trading guidelines:** The Company has trading guidelines in place for all executives that specifically prohibit the purchase of financial instruments that are designed to hedge or offset a decrease in market value of the Company's securities.
- **Clawback policy:** The 2017 LTIP and Phantom Plan include an LTIP Unit clawback provision. It permits the HR Committee to claw back LTIP Units and the cash proceeds of any vested equity grants if the HR Committee determines that an LTIP Participant has engaged in certain misconduct (as defined in the respective plans).
- **External independent compensation advisors:** On an ongoing basis, the HR Committee refers to external advisors to provide an external view of marketplace changes and may also include best practices in respect of compensation design. Willis Towers Watson Consulting provided a market trends/analysis report on NEOs for the HR Committee's consideration in order to assess both performance objectives and compensation in light of the ongoing COVID-19 pandemic.

Compensation decision-making

The Board has ultimate responsibility for executive compensation matters. It has delegated responsibility to the HR Committee for developing LifeWorks' compensation philosophy, evaluating performance, reviewing executive compensation programs and monitoring executive talent development with input from management. The HR Committee then makes recommendations to the Board for approval. The HR Committee is supported by independent executive compensation advisors as needed.

Target and actual compensation levels for the NEOs and other executives are reviewed annually and the HR Committee reviews how the executive compensation plans, policies and programs are operating and recommends any changes to the Board of Directors for approval.

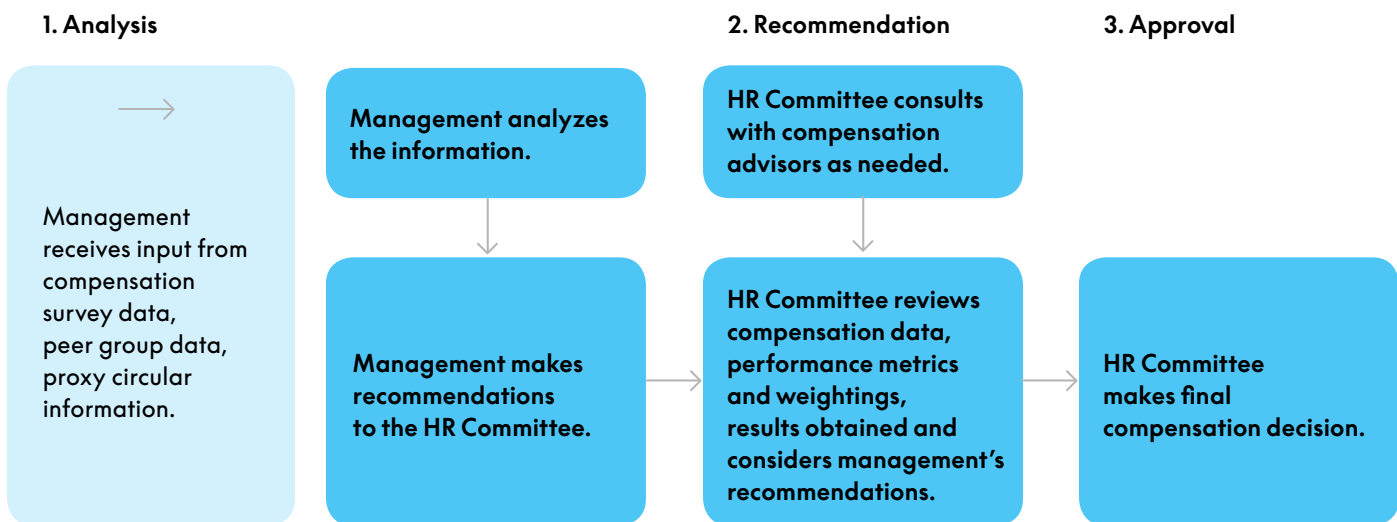
LifeWorks' executive compensation package for NEOs and other executives consists of the following components: base salary, an annual performance cash bonus program ("STIP") and a Phantom Share Plan ("LTIP"), in addition to benefits and other perquisites. Each NEO's target compensation mix is set at the beginning of the year and performance against objectives drives the actual STIP and LTIP awards. Each compensation component has been reviewed and approved by the HR Committee, upon the recommendation of the CEO, for the other NEOs, and by the Board for the CEO upon the recommendation of the HR Committee. More details on the NEO compensation decision-making process are outlined below.

Principles around discretionary decision making on incentive awards

The HR Committee and the Board of Directors evaluate the annual performance of the Company in the context of external factors in the Company’s competitive environment to ensure that fairness and equity is applied in decision-making for incentive-based programs for senior executives. Discretion may be applied both ways, by either decreasing or increasing incentive payments if applicable, when the Board of Directors believes that other factors not related to Company/individual results and performance may impact incentive awards inappropriately and may affect the attraction and retention of key senior talent within the organization. Each discretionary review, if applicable, is made carefully and reviewed to ensure the appropriate inputs are reviewed and thoroughly examined. Any adjustments (if applicable) that are made, will be disclosed in the Circular. Factors that the Board may evaluate, to determine if discretion should be applied may include a review of any external factors, changes in the legal/regulatory/financial landscape, as well as any other material considerations.

Although these considerations may be rare and infrequent, this added flexibility allows the Board of Directors to ensure the organization can address in-year changes quickly and provide some discretion upwards or downwards.

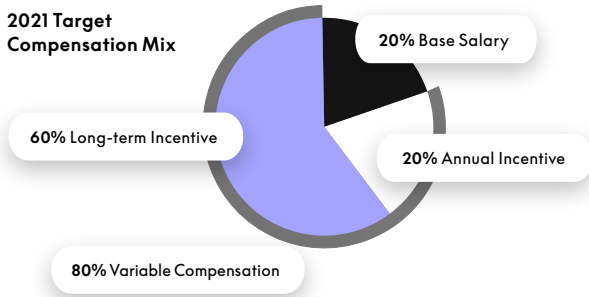
NEO decision-making process



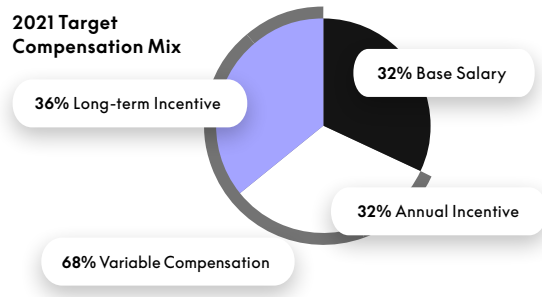
1) Establish 2021 target compensation mix

In support of the Company’s “pay-for-performance” philosophy, the HR Committee considers the appropriate level and mix of compensation with variable (or “at-risk”) pay, which is a significant component of NEO pay. Factors that are considered include, among other components, individual skills, qualifications, experience, overall performance of the Company, evaluation of peer-company market data, performance and retention risk. This approach enables LifeWorks to compete for talent in the highly competitive environment in which it operates and position itself for successful growth.

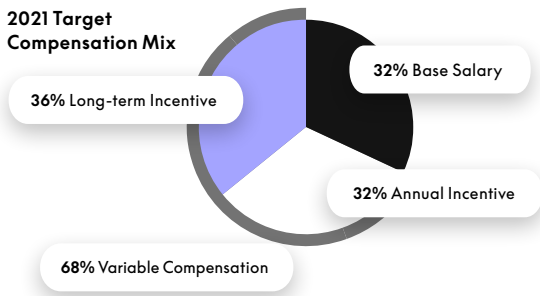
CEO Target Compensation Mix



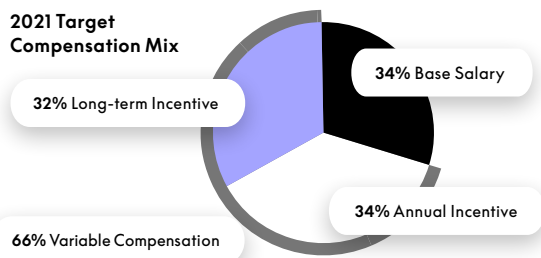
CFO Target Compensation Mix



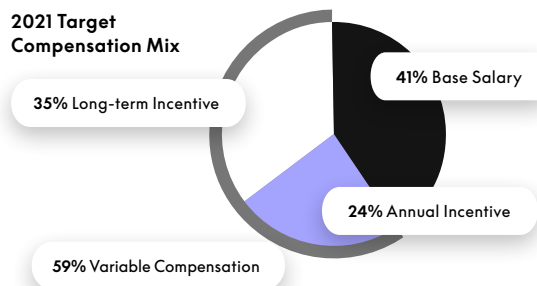
EVP & President Administrative Solutions Target Compensation Mix



EVP & President Integrated Health Solutions Target Compensation Mix



EVP & Chief Data and Technology Officer Target Compensation Mix



Note: Target compensation reflects the 2021 compensation year at target amounts.

Use of compensation consultants and the comparative market

On an annual basis, the HR Committee, with the input of management, conducts a review of its executive compensation practices, with a view to designing forward-looking compensation programs across the Company for the senior leadership team with the aim of attracting and retaining a top-caliber executive team, focused on the long-term strategic objectives of the Company of being the global leader in total well-being while growing shareholder value. From time to time, the HR Committee benefits from the advice of external consultants with expertise in executive compensation and related matters.

At the beginning of 2021, the HR Committee engaged Hugessen Consulting (“Hugessen”), an independent consulting firm, to review and advise on LifeWorks’ compensation framework for executive management of the Company, with a specific focus on its comparative compensation benchmarking and on compensation considerations related to the ongoing unique market circumstances presented by COVID-19. The HR Committee also engaged Hugessen and Kingsdale Advisors to assist in the Company’s redesign of Executive STIP and LTIP in 2021.

In Q3 2021, the HR Committee reviewed the current engagement with its external executive compensation consultant, Hugessen. As a part of that review, the HR Committee undertook an external review of a list of reputable consulting firms within North America, and through that process it identified Willis Towers Watson consulting services as the new provider for executive compensation consulting services for LifeWorks.

The HR Committee also retained Kingsdale Advisors for advice on governance practices relevant to executive compensation.

The table below summarizes the fees incurred in 2021.

	Hugessen Consulting		Kingsdale Advisors		Willis Towers Watson
	2021	2020	2021	2020	2021
Executive Compensation-related fees	\$ 37,802	\$ 111,371	\$ 50,000	\$ 50,000	\$ 5,519

The comparator group for compensation benchmarking

The HR Committee believes external market data are an important component in the Company’s executive compensation design. In order to calibrate the Company’s pay-for-performance programs relative to the marketplace, the HR Committee considered competitive compensation data from the Company’s comparator group.

With the assistance of Hugessen, the HR Committee considered a number of factors when defining a relevant comparator group. As such, emphasis is placed on referencing companies that are publicly traded in Canada, have similar revenues and market capitalization (in the approximate range of 0.5x to 2.0x the Company's), and have historical growth, and possess the following characteristics:

- Providing business-to-business services (B2B) and/or employ over 1,000 people
- Having a business line in professional services and consulting, asset management and IT.

The HR Committee recognizes that LifeWorks has a highly distinctive service offering and, therefore, there is a limited number of directly comparable service-oriented, publicly traded Canadian peer companies. When determining the peer group, the HR Committee receives input from our external consultants, coupled with a review of the peer groups used by external proxy advisors. For 2021, the same peer group was used as in 2020, when the peer group was last amended. The peer group of companies consists of: The Descartes Systems Group Inc., Chartwell Retirement Residences, Altus Group Limited, Laurentian Bank of Canada, Canadian Western Bank, Enghouse Systems Limited, Sienna Senior Living Inc. and GDI Integrated Facilities Inc.

The comparator group for PSU performance

PSUs are performance-vested based on annual and cumulative results over a three-year period. The performance measure selected for PSUs is LifeWorks' Total Shareholder Return ("TSR") relative to the return for the S&P/TSX Composite Low Volatility Index and Adjusted EBTDA per Share growth. In 2020, the HR Committee engaged Kingsdale Advisors to re-evaluate TSR as a performance measure and recommend other performance measures for consideration which may better align to the Company's long-term business strategy. Following a detailed analysis, the S&P/TSX Low Volatility Index was confirmed as the most appropriate measure. TSR is recognized as the most appropriate financial indicator for measuring shareholder value creation. As such, it reflects strong alignment of the interests of executives with those of LifeWorks' Shareholders. The S&P/TSX Low Volatility Index comprises companies reflective of the general Canadian business landscape and with characteristics similar to LifeWorks. For this reason, the Board considered the S&P/TSX Low Volatility Index to be a good proxy for LifeWorks to measure relative TSR. A list of the companies included in the S&P/TSX Low Volatility Index as at December 31, 2021 is found in Schedule "A". As a result of the five-year strategic business plan review in December 2020, the Board decided to add a second performance measure of Adjusted EBTDA per Share growth weighted at 50% and move the weighting of TSR from 100% to 50% to better align to the strong growth focus in the strategic plan.

2) Establish variable compensation pay

Annual short-term incentive plan overview

Plan Highlights for 2021:

- Plan funding is determined by financial measures relative to target based on the following:
LOB NEOs: LOB Revenue, LOB Adjusted EBITDA, Enterprise Revenue
- Enabling Functional NEOs: Enterprise Revenue, Enterprise Adjusted EBTDA per Share
- Minimum performance thresholds must be met before incentives can be paid.
- Funding availability and individual performance (+/- 10% of final performance measures) relative to established objectives determines payouts.

The Company's Annual Short-term Incentive Plan provides executives with variable (at-risk) compensation based on the

achievement of performance objectives. Executives are eligible for annual incentive awards under the Annual Short-term Incentive Plan based on achieving pre-determined objectives approved annually by the HR Committee.

The following outlines the steps involved in determining the short-term incentive award pool, and the allocation decision, which is linked to both Company and individual performance for executives, and all other bonus eligible employees:

Step 1: Determine target bonuses

- CEO’s target annual short-term incentive set by the Board, as a percentage of base salary, on the recommendation of the HR Committee.
- Other executives’ target incentive awards set by the HR Committee on the recommendation of the CEO.
- Targets are based on breadth and impact of the individual executive’s role and responsibilities, coupled with external market data for relevant similar roles.

Target annual short-term incentive (STI) award amounts

In 2021, target short-term incentive for each of the NEOs was established as follows:

NEO	Target Short-term Incentive Award
Stephen Liptrap President and CEO STI Measures: 60% Enterprise Revenue 40% Enterprise Adjusted EBTDA	100% of base salary
Grier Colter Chief Financial Officer and Executive Vice President STI Measures: 60% Enterprise Revenue 40% Enterprise Adjusted EBTDA	100% of base salary
Neil King President, Integrated Health Solutions (IHS) and Executive Vice President STI Measures: 40% LOB Revenue (IHS) 40% LOB EBITDA (IHS) 20% Enterprise Revenue	100% of base salary
Pierre Chamberland President, Administrative Solutions (AS) and Executive Vice President STI Measures: 40% LOB Revenue (AS) 40% LOB EBITDA (AS) 20% Enterprise Revenue	100% of base salary
Kaytek Przybylski Chief Data & Technology Officer and Executive Vice President STI Measures: 60% Enterprise Revenue 40% Enterprise Adjusted EBTDA	60% of base salary

Step 2: Determine the available incentive award pool

- Annual incentive award pool is funded based on individual’s area of focus or LOB accountability which is aligned to the respective bonus pool the individual has direct influence over. The overall bonus is based on company-wide Adjusted EBTDA per Share, Enterprise Revenue, and/or LOB Adjusted EBITDA/Revenue (if applicable) results.
- The final incentive pool is approved by the Board upon the recommendation of the HR Committee.

Step 3: Allocation of the annual incentive award pool to individuals based on both Company and, where applicable, LOB performance, and individual performance

- Annual incentive payment is subject to funding availability and final Company performance is assessed by the HR Committee and the Board of Directors against the financial targets set for the performance year in question. Minimum financial thresholds are required to be met before any bonuses are paid.

Managing risk within the Annual Incentive Plan:

- A single plan for NEOs and executive management of the Company.
- Bonus payouts range between 0% – 300% of target to recognize varying degrees of Company performance based on financial performance with discretion to increase or decrease by 10% based on personal performance by individual, capping total payout potential at 310%.
- HR Committee has discretion over plan funding levels and individual incentive awards.

Establish performance objectives and measures

	Metric	Weight	Background Reason for Selection
Financial Objectives	Adjusted Enterprise EBTDA per Share or Adjusted LOB EBITDA	Enabling Functions: 40% LOBs: 40%	Adjusted EBTDA is a primary metric tracked to evaluate profitable growth of the Company’s business and the ability to generate returns for Shareholders. The CEO and Enabling Functional leaders are based on Adjusted Enterprise EBTDA per Share and the LOB leaders are based on Adjusted LOB EBITDA.
	Enterprise Revenue	Enabling Functions: 60% LOBs: 20%	Revenue is a key indicator of success in implementing the Company’s growth strategy.
	LOB Revenue	LOBs: 40%	
Personal Objectives	Financial, client, employee and strategic metrics based on individual accountability	+/-10% of the overall result of the aggregate financial objectives	For all executives, a component of their compensation is also tied to the attainment of individual, specific strategic or business initiatives. For the CEO, the specific personal objectives are related to performance measured against several objectives as determined by the HR Committee. For other executives, personal objectives are determined and agreed with the CEO and performance is assessed by the CEO and approved by the HR Committee. The HR Committee believes that each executive should also be assessed on the successful achievement of objectives that are linked to the Company’s long-term business strategy as well as effective leadership behaviours aligned with the values of the Company.

Determine performance based annual short-term incentive award

Any payout under the Annual Short-term Incentive Plan is based on a combination of corporate, LOB and individual performance against targets determined at the beginning of the year.

The threshold, target and maximum financial performance levels and corresponding payouts were established by the HR Committee, as shown in the table below:

Measure	Financial Objectives		Personal Objectives	TOTAL
	Enterprise Adjusted EBTDA per Share (Enabling Functions) and Adjusted LOB EBITDA (LOB Leaders)	Enterprise Revenue/ LOB Revenue		
Weighting (% of overall target incentive)	Enabling Functions: 40% LOB: 40%	Enabling Functions: 60% LOB: Enterprise Revenue 20% LOB Revenue 40%	+/-10% of overall financial measures	100%
Financial Performance Range:				
Minimum (Threshold)	90%	90%	N/A	N/A
Target	100%	100%	N/A	N/A
Maximum	140%	140%	N/A	N/A
Incentive Award Payout Range:				
Minimum (Threshold)	50%	50%		0%
Target	100%	100%	+/- 10% of aggregate financial measures	100%
Maximum	300%	300%		310%

For any incentive to be paid under this plan, a minimum performance threshold of 90% applies to each financial objective outlined above. The plan has a maximum payout of 300% of target bonus which corresponds to 140% of financial performance. For individual performance, an added multiplier of +/- 10% can influence the total bonus for a total possible payout at 310%.

In determining performance of financial objectives, actual annual consolidated Adjusted EBTDA per Share/Adjusted LOB EBITDA and Enterprise/LOB Revenue results will be measured relative to the target set at the beginning of the year. Adjustments may be made by the HR Committee, at its discretion, to reflect performance, exceptional circumstances and changes in the Company's financial plan or operating environment.

Equity-based compensation – long-term incentive plan

LTIP Highlights for 2021:

- For EVPs, 50% of their LTIP Units are provided in Phantom RSUs and 50% are provided in Phantom PSUs. For the CEO, they are divided 60% Phantom PSUs and 40% Phantom RSUs.
- PSUs are measured based on two performance measures:
 - 1) Relative TSR to Low Volatility Index (LVI) – 50%
 - 2) Adjusted EBTDA per Share Growth – 50%
- PSUs which are performance-vested based on results over three years. RSUs are time-based awards that vest over three years
- Willis Towers Watson completed an independent review of the Company's PSU design and one of the changes recommended was to simplify the performance period. More details below
- Dividend reinvestment policy ("DRIP").

To further strengthen the link between compensation of the Company’s executives and the long-term interest of Shareholders, the Company maintains the LTIP.

Grant of LTIP Units. The purpose of the LTIP is to promote a greater alignment of interests between LTIP Participants and the Shareholders of LifeWorks.

Mix of LTIP Units. Currently, for the CEO, Phantom PSUs comprise 60% and Phantom RSUs comprise 40% of his LTIP Units. LTIP Units granted to other executives comprise 50% Phantom PSUs and 50% Phantom RSUs.

PSUs Vesting in 2021. The awards made under the 2017 LTIP for the 2019 performance cycle vested on November 30, 2021. The Company’s cumulative three-year Total Shareholder Return was 2.4% and the S&P Low Volatility Index cumulative three-year Total Shareholder Return was 11.5%. The Company, therefore, underperformed the index by 9.1% over the cumulative three-year period, by -36.3% in 2021, by 0% in 2020, and outperformed by 15.5% in 2019. When applied against the LTIP performance payout curve, this results in a payout of 75% of the PSUs initially allocated in 2019.

Impact of 2021 performance on executive PSUs

Grant Year ¹	Period 1 Final Performance	Period 2 Final Performance	Period 3 Final Performance	35-Month CAGR	Final Payout
2019	200%	100%	0% ²	0% ²	75%
2020	100%	0% ²	TBD	TBD	TBD
2021	0% ²	TBD	TBD	TBD	TBD

¹ Grant year of award in respect of the prior year compensation (e.g., 2019 grant was in respect of 2018 compensation year).

² Final PSU performance related to 2021 PSU performance measures, impacts 2021 performance period for each one of the three grants and 35-month CAGR for the 2019 PSU.

Key elements of PSUs

The key elements of PSUs granted prior to 2020, as established by the HR Committee are:

Element	Description
Eligibility	Executives only
Performance Measure	TSR relative to S&P/TSX Composite Low Volatility Index
Performance Period	25%/25%/25% for each of three years 25% for cumulative three-year relative TSR performance
Vesting	Three-year cliff vesting

Payment	Minimum (Threshold)	Target	Maximum
Performance range ¹	-500 basis points	Match Index	+500 basis points
Payout range ¹	0%	100%	200%

¹ With linear interpolation between points

The following are the key elements of PSUs granted in 2021, as established by the HR Committee:

Element	Description
Eligibility	Executives only
Performance Measure	50% TSR relative to S&P/TSX Composite Low Volatility Index 50% Adjusted EBTDA per Share growth
Performance Period	Staged approach over three years for both performance measures <ul style="list-style-type: none"> • 25%/25%/25% for each of three years • 25% for cumulative three-year
Vesting	Three-year cliff vesting

Payment	Minimum (Threshold)	Target	Maximum
Performance range ¹ Relative TSR	-500 basis points	Match Index	+500 basis points
Adjusted EBTDA per Share growth	< 3%	7%	12%+
Payout range ¹	0%	100%	200%

¹ With linear interpolation between points

The following are the key elements of PSUs granted in 2022, as established by the HR Committee:

Element	Description
Eligibility	Executives only
Performance Measure	50% TSR relative to S&P/TSX Composite Low Volatility Index 50% Adjusted EBTDA per Share growth
Performance Period	Over three years for both performance measures
Vesting	Three-year cliff vesting

Payment	Minimum (Threshold)	Target	Maximum
Performance range ¹ Relative TSR	-500 basis points	Match Index	+500 basis points
Adjusted EBTDA per Share growth ¹	< 3%	7%	12%+
Payout range ²	0%	100%	200%

¹ EBTDA per Share growth is calculated as compounded annual growth rate (CAGR)

² With linear interpolation between points

LTIP Allocation Decision. The following outlines the steps involved in determining the available LTIP pool, and the allocation decision linked to individual performance for NEOs, and other executives:

Step 1: Determining the available incentive pool

The CEO recommends to the HR Committee the required incentive pool based on the following criteria:

- Shifts in executive population, such as new hires or promotions
- Market indicators and alignment of executive compensation
- Attraction, retention requirements and risks

Step 2: Obtaining HR Committee and Board approval

The recommended pool is presented to the Board for review and approval, upon the recommendation of the HR Committee.

Step 3: Allocation of LTIP awards to individuals

Individual awards are determined based on the following criteria:

- Market competitiveness
- Individual performance versus established targets
- Retention incentive
- Long-term potential contribution

The HR Committee approves the executives' awards based on the recommendation of the CEO; the CEO award is decided upon by the Board on the recommendation of the HR Committee.

Share-based awards granted in concurrence with other incentive awards for a prior year's performance will be deemed to be compensation for that performance year. As such, awards granted in early 2022 are reported as 2021 compensation.

Vesting and Redemption of LTIP Units. Pursuant to the 2017 LTIP, each RSU vests over three years and is redeemable, for either one Share or for an amount in cash equal to the fair market value of one Share (at the election of the Company). The PSUs vest over three years allowing for a 35-month performance period at which time the Board has the applicable Company financial metrics to measure performance. Following any adjustments based on performance during the relevant performance period, each PSU is redeemable for either one Share or for an amount in cash equal to the fair market value of one Share (at the election of the Company).

Pursuant to the LTIP, "fair market value" is equal to the volume-weighted average trading price of a Share on the TSX (or, if such Shares are not then listed and posted for trading on the TSX, on other stock exchange on which such Shares are listed and posted for trading as may be selected for such purpose by the HR Committee) for the five business days on which Shares traded on such exchange preceding the applicable date. Dividend equivalents continue to be credited on LTIP Units until redeemed by an LTIP Participant.

Cessation of Entitlements under the LTIP. Pursuant to the 2017 LTIP, except in certain circumstances (such as the death, disability or retirement of an LTIP Participant), all vested and unvested 2017 LTIP Units shall terminate on an LTIP Participant's termination date and said LTIP Participant will have no right to receive any 2017 LTIP Units or entitlements under the 2017 LTIP whatsoever. Upon termination without cause, death or disability, a pro rata portion of a Participant's unvested 2017 LTIP Units shall vest. The HR Committee has discretion to vest unvested LTIP Units on a Participant's termination date.

Managing risk within the 2017 LTIP:

- Awards vest over three years.
- PSUs are performance-vested based on annual and cumulative results over three years.
- Vested and unvested awards may be forfeit if termination is with cause.

Phantom Plan (all LTIP Units granted 2021 onwards)

On November 10, 2020, the Board adopted a new employee Phantom Plan to replace the 2017 LTIP starting in 2021. The 2017 LTIP will be closed to new grants and all future grants to employees will fall under the Phantom Plan. The purpose of the Phantom Plan is to continue to promote a greater alignment of interests between participants and the Shareholders of LifeWorks. The Phantom Plan is a cash settled plan and pursuant to the plan, the HR Committee may grant Phantom RSUs and Phantom PSUs. Phantom PSUs shall only be granted to executives to support stronger pay-for-performance alignment. Each Phantom Unit has a value based upon the fair market value of one LifeWorks Share. Phantom Units are not Shares, cannot be converted into Shares and do not carry voting rights. Pursuant to the Phantom Plan, "fair market value" is equal to the volume-weighted average trading price of a Share on the TSX for the five business days preceding the applicable date.

Vesting and Redemption of Phantom Units. Pursuant to the Phantom Plan, each RSU vests over three years and is redeemable for an amount in cash equal to the fair market value of one Share on the redemption date. The PSUs vest over three years allowing for a 35-month performance period at which time the Board has the applicable Company financial metrics to measure performance. See above for more detail. Following any adjustments based on performance during the relevant performance period, each PSU is redeemable for an amount in cash equal to the fair market value of one Share on the redemption date. If cash dividends or distributions are paid on the Shares, additional Phantom Units will be credited to each participant's account.

Cessation of Entitlements under the Phantom Plan. Pursuant to the Phantom Plan, except in certain circumstances (such as the death, disability or retirement of a participant), all vested and unvested Phantom Units shall terminate on a participant's termination date, and the said participant will have no right to receive any Phantom Units or entitlements under the Phantom Plan whatsoever. Upon termination without cause, death or disability, a pro rata portion of a participant's unvested Phantom Units shall vest. The HR Committee has discretion to vest unvested Phantom Units on a participant's termination date.

The Phantom Plan includes a Phantom Unit clawback provision. It permits the HR Committee to claw back Phantom Units if the HR Committee determines that a Phantom Plan participant has engaged in certain misconduct (as defined in the Phantom Plan).

Maximum number of shares issuable

As of December 31, 2020, all Company security-based compensation plans are now closed for future grants; however, there are outstanding awards under these plans. All future grants have been made under the Phantom Plan and Director Phantom Plan, respectively. The Phantom Plan and the Director Phantom Plan are cash settled plans and as such the Company will not be required to issue Shares from treasury to satisfy the settlement of Phantom Units under these plans. Please see Schedule "C" for details on the maximum number of Shares issuable pursuant to the security-based compensation plans and the burn rate for the past three years.

Named executive officer (NEO) compensation

Stephen Liptrap: career profile

Stephen Liptrap has been President and CEO since May 2017. He is responsible for developing and executing LifeWorks’ corporate strategy and leading the Company’s day-to-day operations, in alignment with the interests of Shareholders, clients, employees and other stakeholders.

Mr. Liptrap joined LifeWorks’ senior executive team in 2008 and has more than 25 years of senior executive experience. In 2010 he was appointed EVP of LifeWorks’ largest business unit, Employee Support Solutions. In 2016, he was appointed Chief Operating Officer, a position he held until his appointment as CEO.



President and Chief Executive Officer

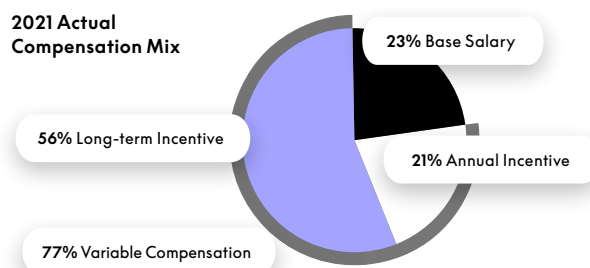
2021 key performance indicators and results

The HR Committee evaluated Mr. Liptrap’s 2021 performance against financial targets and progress against the strategic plan for positioning LifeWorks for strong returns over the short, medium and long terms.

Key performance indicators	Results (Met/Exceeded)	
Financial		
Revenue	Yes	Revenue \$1,019 M up 6.1% on an organic constant currency basis versus 2020.
Adjusted EBTDA per share	No	Adjusted EBTDA per Share at 97% of budget
Strategic		
Source and close acquisitions to advance the strategic plan.	Yes	Closed two acquisitions – SMG Health and Ascender.
Create leading digital platform delivering solutions across the wellbeing spectrum.	Yes	Exceeded growth targets for users on wellbeing platform with strategic partnerships secured such as Microsoft Teams integration.
Drive partnerships to accelerate product adoption and unlock new revenue streams.	Yes	Re-branded the Company to LifeWorks; implemented Workday; and rationalized the real estate footprint
Modernize our brand and our workplace strategy to support our global growth and attract top talent.	Yes	
Employee		
Build a high-performing, diverse leadership team to enable business growth. Foster a culture of engagement, inclusion and wellbeing for employees while working remotely through the pandemic.	Yes	Restructured Executive Leadership Team and aligned the Health & Productivity Solutions business under Integrated Health Solutions to achieve business synergies. Completed intensive professional development program on Inclusive Leadership and Anti-Racism with the Executive Committee and Global Leadership Team. Engagement was just below expectations.
Client		
Expand commercial capabilities to broaden client relationships, increase wallet share and drive retention.	Yes	Exceeded cross-sell and client retention goals.
Deliver year-over-year improvements in Net Promoter Score.	No	Strong client satisfaction continued but Net Promoter Score missed expected growth.
Risk and Governance		
Company ESG ratings improvement and submit survey for TSX S&P ESG Index.	Yes	All external rating groups scores improved and S&P CSA inaugural survey completed and submitted. Completed immersive Inclusive Leadership Program with executive team and advanced the 3 year Diversity, Equity & Inclusion strategic plan.
Implement infrastructure upgrades to mitigate against cyber risk.	Yes	Implemented upgrades to technology and cybersecurity infrastructure.

	2019	2020	2021
Base salary	\$ 612,500	\$ 643,750	\$ 668,750
Cash Incentive	543,750	668,200	621,000
Share-based award	1,400,000	1,800,000	1,600,000
Retirement LTIP	63,000	65,000	67,500
Total Direct Compensation	2,619,250	\$ 3,176,950	\$ 2,957,250

2021 Actual Compensation Mix



Grier Colter: career profile

Grier Colter was appointed Chief Financial Officer and Executive Vice President on October 1, 2019. He has oversight of investor relations, corporate finance, taxation, financial reporting, strategy, and mergers and acquisitions.

Mr. Colter brings approximately 25 years of finance experience to the Company. Prior to joining LifeWorks, he was Chief Financial Officer of ECN Capital Corp. and a key member of the management team that transformed the company through several transactions. Prior to that, Mr. Colter served in senior level positions at large publicly traded corporations including Canadian Tire Corporation and Barrick Gold Corporation. Mr. Colter earned his Chartered Accountant designation with Ernst & Young LLP. He is a Chartered Financial Analyst and holds a bachelor of business administration with honours from Wilfrid Laurier University.



Chief Financial Officer and Executive Vice President

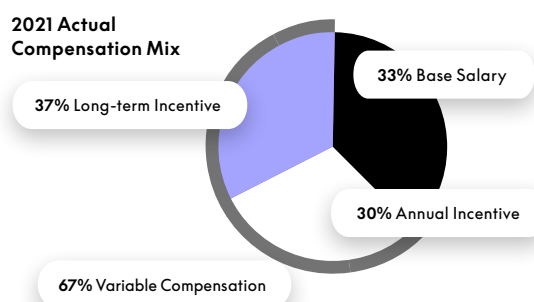
2021 key performance indicators and results

The HR Committee reviewed Mr. Colter’s 2021 performance against the key areas outlined below.

Key performance indicators	Results (Met/Exceeded)	
Financial		
Revenue	Yes	Revenue of \$1,019M, up 6.1% on a constant currency basis.
Adjusted EBTDA per Share target	No	Adjusted EBTDA per Share at 97% of budget
Strategic		
Source and close acquisitions to advance the strategic plan.	Yes	Closed two acquisitions – SMG Health and Ascender.
Continue to evolve the strategy to ensure the organization achieves its long-term goals through global growth.	Yes	To respond to changes in our markets resulting from the global pandemic, developed and secured Board approval of a new five-year strategic plan.
Employee		
Build an engaged, diverse and high-performing finance leadership team.	Yes	Continued to fill key leadership roles based on redesign of Finance organizational structure.
Risk and Governance		
Design and operationalize controls to mitigate the risk of medium- and high-risk errors and non-compliance with SOC, ICFR Controls and other key regulatory requirements.	Yes	Met expectations on compliance.
Work with LOBs to implement Workday and enhance timeliness of reporting on financial performance to Lines of Business.	Yes	Workday implemented and reporting enhancements initiated.

	2019	2020	2021
Base salary	\$ 112,500	\$ 450,000	\$ 475,000
Cash Incentive	112,500	463,376	444,666
Share-based award	1,112,500	550,000	483,333
One-time Special Award ¹	1,000,000		
LTIP Award	112,500	550,000 ²	483,333
Retirement LTIP	11,250	45,000	48,333
Total Direct Compensation	\$ 1,348,750	\$ 1,508,376	\$ 1,451,332

¹ Includes a one-time special RSU grant in the amount of \$500,000 granted in November 2019 and another one-time special PSU grant in the amount of \$500,000 granted in March 2020, both which are outlined in the employment agreement and reflects compensation for 2019 (year of hire).
² Includes a one-time special RSU grant in the amount of \$100,000 in recognition for performance in 2020



Neil King: career profile

Neil King was appointed President and EVP, Integrated Health Solutions (IHS) in December 2019. In December 2021, Mr. King also took on the additional accountability and oversight of Health & Productivity Solutions. His business development and marketing experience spans over 20 years including general management, sales leadership, product development and strategy. Prior to taking the role of President and EVP of IHS, Mr. King was the U.S. Chief Commercial Officer and Executive Vice President at LifeWorks. His portfolio included responsibility for overall enterprise revenue and growth in the U.S., Public Sector and Enterprise Business Development.



President, IHS and Executive Vice President

Prior to LifeWorks, Mr. King worked in global leadership positions at ADP GlobalView and Wolters Kluwer Health, where he managed sales for six years in Canada and the U.S. Mr. King holds an honours degree in business from Wilfrid Laurier University and a master of business administration from the University of Toronto Rotman School of Management.

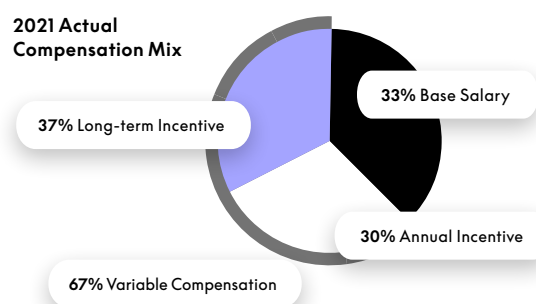
2021 key performance indicators and results

The HR Committee reviewed Mr. King’s 2021 performance against his goals for the IHS business and his personal contributions against the objectives outlined below.

Key performance indicators	Results (Met/Exceeded)	
Financial		
IHS Revenue and Sales	Yes	Exceeded revenue and sales goals.
IHS Adjusted EBITDA	No	Fell short on EBITDA in part attributable to labour productivity challenges related to growth in demand for mental health services during the pandemic.
Strategic		
Source and close acquisitions to drive global growth of IHS.	Yes	Closed two acquisitions – SMG Health and Ascender.
Employee		
Build a high-performing, diverse, global leadership team to enable business growth. Foster a culture of engagement, inclusion and wellbeing for employees while working remotely through the pandemic.	No	Employee engagement was just below expectations, given high demands on the workforce in supporting clients’ mental health needs through the pandemic. Exceeded expectations on scores on purpose and respect in the workplace.
Client		
Expand commercial capabilities to broaden client relationships, increase wallet share and drive retention.	Yes	Significant year over year growth in registered users on the platform, while exceeding budget on growth in share of wallet.
Drive partnerships to accelerate product adoption and unlock new revenue streams.	Yes	Secured key partnerships such as Microsoft Teams and telemedicine providers and made progress against goals for user adoptions driven by partnerships.
Achieve enterprise cross-selling goals.	Yes	Exceeded goal for revenues originated from cross-selling.
Deliver year-over-year improvements in Net Promoter Score.	No	Strong client satisfaction continued but Net Promoter Score missed expected growth.
Risk and Governance		
Successfully pass COA 50 process requirements by June 1.	Yes	Passed COA 50 process requirements as well as obtained Knox Keene license for State of California. Diversity, equity and inclusion action plan developed and being implemented.

	2019	2020	2021
Base salary	\$ 347,292	\$ 375,000	\$ 393,750
Cash Incentive	202,800	193,073	352,000
Share-based award	225,000	400,000 ¹	400,000
Retirement LTIP	37,500	37,500	40,000
Total Direct Compensation	\$ 812,592	\$ 1,005,573	\$ 1,185,750

¹ Includes a one-time special RSU grant in the amount of \$100,000 in recognition for performance in 2020



Pierre Chamberland: career profile

Pierre Chamberland is President, Administrative Solutions and has been an Executive Vice President since 2003. Mr. Chamberland is responsible for the overall management of LifeWorks’ outsourcing business, overseeing pension and benefits administration services for the Company as a whole.

Mr. Chamberland started at the Company in 1982 and brings extensive experience and understanding of the Canadian and U.S. outsourcing environment to his current role, having worked with clients throughout North America, including large corporations, as well as government, public and para-public organizations.



President,
Administrative
Solutions
and Executive
Vice President

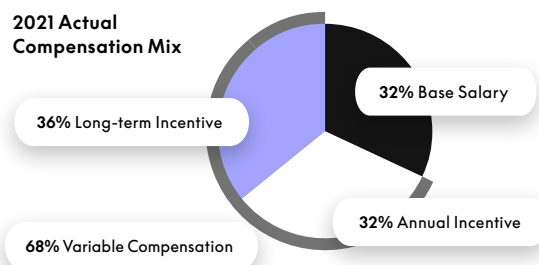
2021 key performance indicators and results

The HR Committee evaluated Mr. Chamberland’s 2021 performance against the results of the Administrative Solutions business and his personal contributions against the objectives outlined below.

Key performance indicators	Results (Met/Exceeded)	
Financial		
Administrative Solutions Revenues and Sales	No	Strong revenue growth on an organic, constant currency basis. Fell slightly short on Adjusted EBITDA at 99% of budget and slightly short on Revenue on an adjusted currency basis.
Administrative Solutions Adjusted EBITDA		
Strategic		
Enhance operational efficiency and labour productivity, leveraging opportunities created through the Mercer acquisition.	Yes	Despite falling slightly short of target on revenue, the increased productivity in the business helped achieve profit targets.
Employee		
Build a high-performing, diverse, global team to enable business growth. Foster a culture of engagement, inclusion and wellbeing for employees while working remotely through the pandemic.	No	Engagement fell slightly short of expectations. Inclusion and diversity commitment scores above expectations.
Client		
Implement continuous improvement initiatives to deliver against call centre SLAs.	Yes	Successfully developed and executed a workforce plan resulting in a strong open enrolment season.
Create implementation capacity to support our growth and improve completeness of implementations.	Yes	Resources are in place to deliver planned implementations throughout 2022. Continue to augment capacity aligned with growth plans.
Deliver year-over-year improvements in Net Promoter Scores.	No	Strong client satisfaction continued but Net Promoter Score missed expected growth.
Risk and Governance		
Design and operationalize controls to mitigate the risk of medium and high-risk errors and non-compliance with SOC, ICFR Controls and other key regulatory requirements.	Yes	Compliant on SOC 1 and 2 audits.
Support enterprise ESG objectives in Administrative Solutions.	Yes	Strong progress on enterprise ESG initiatives around paperless administration initiative and diversity, equity and inclusion action plans.

	2019	2020	2021
Base salary	\$ 375,000	\$ 431,250	\$ 487,500
Cash Incentive	292,500	449,462	479,000
Share-based award	300,000	550,000 ¹	500,000
Retirement LTIP	38,000	45,000	50,000
Total Direct Compensation	\$ 1,005,500	\$ 1,475,712	\$ 1,516,500

¹ Includes a one-time special RSU grant in the amount of \$100,000 in recognition for performance in 2020



Kaytek Przybylski: career profile

Kaytek Przybylski was appointed Chief Data and Technology Officer and Executive Vice President on September 3, 2019. He is responsible for leading the development of a five-year technology and data systems roadmap, developing and implementing the Enterprise cloud migration strategy and driving artificial intelligence and machine learning capability development. He is also responsible for the enterprise product roadmap and providing technology solutions to the businesses in support of delivering high-quality, cost-efficient products to support brand aligned employee and client experiences.



Chief Data and Technology Officer and Executive Vice President

Mr. Przybylski brings a wealth of digital experience and expertise to the Company and is recognized for his expertise in digital product development, cloud computing and digital transformation. He previously spent several years growing Avanade’s Microsoft Azure Platform Services and led Avanade’s Centre of Excellence global team of experts in the Microsoft Azure Platform, Agile, DevOps, Architecture, Security and Modern Software Engineering.

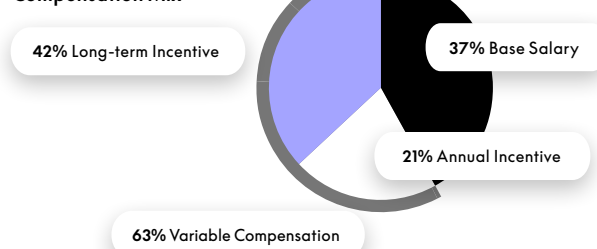
2021 key performance indicators and results

The HR Committee reviewed Mr. Przybylski’s 2021 performance against the following key areas outlined below:

Key performance indicators	Results (Met/Exceeded)	
Financial Drive optimization of LOB & enterprise technology spend. Ensure successful delivery of technology-related capital initiatives.	No	Slightly missed technology spend.
Strategic Execute product roadmap to drive user growth, including the activation of strategic partnerships.	Yes	Exceeded growth targets for users on platform with strategic partnerships secured such as Microsoft Teams integration.
Employee Build a high-performing, diverse, global technology team to enable business growth. Foster a culture of engagement, inclusion and wellbeing for employees while working remotely through the pandemic. Modernize technology infrastructure to enable employees to do their best work, securely from anywhere.	Yes	Employee engagement above expectations. Implemented Workday, Amazon Connect, ServiceNow, an enterprise-wide security solution and other applications to enhance employee productivity and security.
Client Directly engage with key clients and enhance the client experience by initiating technology partnerships aligned to the product roadmap.	Yes	Directly engaged with several clients across the lines of business and played a key role in driving client growth within the technology sector.
Risk and Governance Further strengthen cybersecurity and resilience across technology platforms. Modernize key systems and processes to leverage cloud, dev ops, data and agile across IT portfolio. Support enterprise ESG initiatives within Data & Technology.	Yes Yes Yes	Deployed enterprise-wide security solution, improving security and resilience. Made progress in modernizing the tech/product portfolio and operating model. Diversity, equity and inclusion plan for Data & Technology developed and implementation initiated.

	2019	2020	2021
Base salary	\$ 123,438	\$ 375,000	\$ 393,750
Cash Incentive	61,719	193,073	220,800
Signing Bonus ¹	300,000	150,000	-
Share-based award	587,500	287,500	400,000
One-time Special Award ²	400,000	-	-
LTIP Award	187,500	287,500 ³	400,000
Retirement LTIP	37,500	37,500	40,000
Total Direct Compensation	\$ 1,110,157	\$ 1,043,073	\$ 1,054,550

2021 Actual Compensation Mix



¹ Signing bonus paid as follows: \$300,000 in September 2019 and \$150,000 in September 2020

² Includes one-time special RSU grant of \$400,000 in November 2019

³ Includes a one-time special RSU grant in the amount of \$100,000 in recognition for performance in 2020

Summary compensation table

The table below provides a summary of the compensation earned in 2021, 2020 and 2019 by each of LifeWorks' CEO, CFO and the three other NEOs.

NEO	Year	Salary (\$)	Share-based Awards (\$) ¹	Non-equity Annual Incentive Plan (\$) ¹	Pension Value	All Other Compensation	Total Compensation (\$)
Stephen Liptrap President & CEO	2021	668,750	1,667,500	621,000			2,957,250
	2020	643,750	1,865,000	668,200			3,176,950
	2019	612,500	1,463,000	543,750			2,619,250
Grier Colter EVP & CFO	2021	475,000	531,666	444,666			1,451,332
	2020	450,000	595,000 ⁵	463,376			1,508,376
	2019	112,500	1,123,750 ²	112,500			1,348,750
Neil King EVP & President Integrated Health Solutions	2021	393,750	440,000	352,000			1,185,750
	2020	375,000	437,500	193,073			1,005,573
	2019	347,292	262,500	202,800	1,848		814,440
Pierre Chamberland EVP & President Administrative Solutions	2021	487,500	550,000	479,000			1,516,500
	2020	431,250	595,000	449,462			1,475,712
	2019	375,000	338,000	292,500			1,005,500
Kaytek Przybylski EVP & Chief Data and Technology Officer	2021	393,750	440,000	220,800			1,054,550
	2020	375,000	325,000	193,073		150,000 ⁴	1,043,073
	2019	123,438	625,000 ³	61,719		300,000 ⁴	1,110,157

¹ The value of Share-based awards is the fair value of a Common Share on the grant date. Fair value means the fair market value of a Common Share, which is equal to the volume-weighted average trading price of a Share on the TSX for the five business days on which Shares traded on such exchange preceding the grant date. Share-based awards are granted in the form of PSUs or RSUs. The Board has determined that any Share-based awards granted for an executive's performance in a particular performance year will be deemed to be compensation for that performance year (regardless of the grant date). As such, Share-based awards granted in 2022 are reported as 2021 compensation as they were based on executive performance in the 2021 fiscal year. Pursuant to the LTIP, notional distributions are made on PSUs and RSUs (in the form of additional PSUs or RSUs as applicable) equivalent to dividends paid on the Common Shares. The notional distributions on those awards are not included in the chart above. Share-based awards in lieu of retirement are included in the amounts shown as follows: Mr. Liptrap \$67,500, Mr. Colter \$48,333, Mr. King \$40,000, Mr. Chamberland \$50,000 and Mr. Przybylski \$40,000

² Includes a one-time special RSU grant in the amount of \$500,000 granted in November 2019 and another one-time special PSU grant in the amount of \$500,000 granted in March 2020, both which are outlined in the employment agreement and reflect compensation for 2019 (year of hire)

³ Includes one-time special RSU grant of \$400,000 in November 2019

⁴ Signing bonus paid as follows: \$300,000 in September 2019 and \$150,000 in September 2020

⁵ Includes a one-time special RSU grant in the amount of \$100,000 in recognition for performance in 2020

NEO compensation disclosure

(\$ millions)	2019	2020	2021
Total Compensation reported for the NEOs	\$ 6.9	\$ 8.2	\$ 8.2
Revenue	\$ 888.9	\$ 979.2	\$1,019.3
Cost of management ratio	0.8%	0.8%	0.8%

Share ownership guidelines

The HR Committee believes that executive management should have a significant equity interest in the Company. To promote equity ownership and further align the interests of management with the interests of Shareholders, senior employees are required to own Shares or share equivalents, including DSUs, PSUs and RSUs granted under the LTIP, representing a multiple of their annual salary. The CEO is required to own at least four times his base salary and to maintain that ownership for at least one year post-termination of employment, while the NEOs are required to own Shares or share equivalents representing at least two times their salary. Individuals are given five years to achieve these levels after a promotion or hire date. Share ownership guidelines are reviewed annually by the HR Committee. As a result of that review, in 2021, the Share ownership requirements were amended to include a requirement that 50% of the overall shareholding requirement be met through ownership of common shares for EVPs and above. The new Share ownership guideline was put in place as a measure of a higher standard, good governance practice, and a leading practice for equity holding requirements for key senior leaders. With this new guideline it was envisioned that most individuals would fall outside of required ownership in the short-term and over a defined period of time, would increase their personal common shareholdings which would reinforce share performance of senior leaders at LifeWorks with external shareholders and drive focus for the senior leadership team at share price growth. Furthermore, this change was implemented to encourage a culture of ownership and incorporate emerging market best practices to support good governance. As a result of this new guideline, all EVPs and the CEO were given five years from January 1, 2022 to meet these new ownership requirements. As a result of this new guideline, the Board of Directors as administrators of the plans approved a voluntary DSU redemption program for EVPs who wished to redeem their vested DSUs and take the cash proceeds from the sale and purchase common shares to help fulfill these new criteria. This program was open to all EVP+/NEOs who held DSUs; Mr. Liptrap and Mr. King voluntarily participated in this program and reinvested proceeds of the DSU redemption back in the Company by acquiring additional Shares.

Ownership levels are measured annually and reported to the HR Committee. Due to the new changes in Share ownership criteria, Mr. Chamberland has met and exceeded his Share ownership requirements, including the new common share requirement. All other NEOs have five years to reach the new guideline.

CEO ownership disclosure

Common Shares and Share Units held as at December 31, 2021.

Fiscal Year	Shares ¹	PSUs ¹	RSUs ¹	Total Common Shares and Other Share Units ¹	Common Share Requirement	Share Ownership Target ²	Current Status
	48,500	65,555	48,102	162,157		Meets 4x Target ²	
2021	\$ 1,238,205	\$ 1,673,619	\$ 1,228,044	\$ 4,139,868	\$ 1,350,000	Meets 4x salary, but does not yet meet new common share equity requirement	6.13x

¹ Values are calculated as at: December 31, 2021 using the closing Share price of \$25.53 per Share. Note that the value of the Share ownership target has been rounded to the nearest whole number using standard rounding

² Target is four times base salary and 50% of this requirement is meant to be in the form of a newly introduced common share equity requirement. As the common share requirement was introduced in Q3 2021, all NEO's have 5 years to meet this requirement.

Share-based awards

The following chart details Share-based awards granted to NEOs:

	Number of Share-based awards that vested during the year (#)	Value of Share-based awards that vested during the year (\$) ¹	Number of Shares that have not vested (#)	Market or payout of Share-based awards that have not vested (\$) ¹
Stephen Liptrap² President and CEO	150,371	4,966,433	109,976	2,807,687
Grier Colter CFO and EVP	0	0	56,643	1,446,096
Neil King² President, Integrated Health Solutions and EVP	42,118	1,390,204	22,864	583,718
Pierre Chamberland President, Administrative Solutions and EVP	12,817	327,223	30,406	776,265
Kaytek Przybylski Chief Data & Technology Officer and EVP	0	0	30,754	785,150

¹ Values are calculated as at December 31, 2021 using the closing Share price of \$25.53 per Share. Note that 2021 Share-based awards have a grant date in March 2022, and as such, are not included in this table. The value of payouts has been rounded to the nearest whole number using standard rounding.

² Mr. Liptrap and Mr. King participated in a voluntary DSU redemption program of vested DSU units as detailed above in the Section "Share Ownership Guidelines". The gross proceeds from the sale of the DSUs were 114,609 DSUs at an average share price of \$35.3667 for a gross amount of \$4,053,337 for Mr. Liptrap and 33,246 DSUs at an average share price of \$35.0025 for a gross amount of \$1,163,693 for Mr. King. They both reinvested proceeds of the redemption back in the Company by purchasing additional Shares.

Pensions, benefits and other perquisites

Defined benefit (DB) pension plan

The DB plan is a closed plan. Only one NEO (Mr. Chamberland) has any remaining benefits under the plan. The following are details of Mr. Chamberland's Defined Benefit pension entitlements:

NEO	Year end	Years credited service	Annual benefits payable at end year (\$) ¹	Annual benefits payable at age 65 (\$)	Opening present value of defined benefit obligation (\$)	Compensatory change (\$)	Non-compensatory change (\$)	Closing present value of defined benefit obligation (\$)
Pierre Chamberland President, Administrative Solutions and EVP	2021	9.5	N/A	16,400	283,900	0	(19,100)	264,800

¹ Mr. Chamberland is eligible to retire as he has reached age 55. The annual pension is fixed, meaning there will be no additional pension accrual.

Employment agreements, termination and change of control benefits

Each NEO is party to an employment agreement with LifeWorks providing for, among other matters, Share ownership requirements, and confidentiality and non-solicitation/non-competition covenants in favour of LifeWorks.

	Resignation	Retirement, Death or Disability ²	Termination with Cause	Termination without Cause ²
Base Salary	Only earned portion	Only earned portion	Only earned portion	Only earned portion, plus compensation outlined in applicable employment agreement
Short-term incentive	None	Prorated portion, based on actual performance achieved	None	Prorated portion, based on actual performance achieved
Share-based incentive				
Phantom Share Unit Plan Phantom RSUs & Phantom PSUs	Unvested units are forfeit immediately	Retirement: Upon retirement (as defined in the plan), all unvested units continue to vest and will become redeemable at the normal vesting date or sooner, provided that the employee does not breach post-employment obligations (as defined in the LTIP) Death or Disability: A pro rata portion of unvested units shall vest on date of termination ¹	Unvested units are forfeit immediately on participant's termination date.	All unvested units at the employee's termination date will terminate (except as may be required to comply with the minimum requirements of applicable employment standards legislation) and a pro rata portion of the unvested units shall vest on such termination date ¹
2017 Plan RSUs, DSUs or PSUs	Redeemable as Shares or cash in an amount equal to the fair market value as calculated on the redemption date or a combination of shares and cash	Retirement or Disability: Redeemable as Shares or cash amount equal to the fair market value as calculated on the redemption date or a combination of Shares and cash Death: In the case of death, redeemable as Shares or cash in an amount equal to the fair market value	Vested units terminate on the termination date and the participant will have no right to receive any units or entitlements	Redeemable as Shares or cash in an amount equal to the fair market value as calculated on the redemption date or a combination of Shares and cash

	Resignation	Retirement, Death or Disability ²	Termination with Cause	Termination without Cause ²
Share-based incentive				
2011 Plan 2011 RSUs or Retirement DSUs	Redeemable as Shares or cash amount equal to the fair market value as calculated on the redemption date	Redeemable as Shares or cash in an amount equal to the fair market value	Vested units terminate on the termination date and the participant will have no right to receive any units or entitlements	Redeemable as Shares or cash in an amount equal to the fair market value as calculated on the redemption date
Benefits & perquisites	Cease as of the last day of employment	In the case of death, benefits are extended for 31 days; otherwise, cease as of the last day of employment	Cease as of the last day of employment	Pursuant to applicable employment agreement

¹ The HR Committee shall have the discretion to determine the Performance Adjustment Factor (as defined in the 2017 LTIP & Phantom Share Plan) to be applied in the circumstances prior to PSUs being redeemed, based on the achievement of each performance measure up to the relevant termination date and on any other factors that the HR Committee deems to be appropriate.

² The HR Committee shall have the discretion to vest unvested LTIP Units on a participant’s termination date.

Mr. Liptrap is entitled to receive a severance payment in the form of salary continuation equal to 24 months’ salary and annual incentive, plus continuation of benefits and perquisites for the severance period, in the event of termination of employment “without cause” by LifeWorks. If, at any time in the 12 months following the effective date of a change in control, his employment is terminated, except for just cause, or he resigns for good reason as a result of action taken by LifeWorks during such 12-month period, Mr. Liptrap is entitled to “without cause” severance plus continuation of benefits, perquisites and allowances (except club) for the earlier of two years or the date he starts alternate employment. “Good reason” is defined in Mr. Liptrap’s employment agreement as being a material change of his duties and responsibilities, a reduction or failure to continue his total direct compensation and benefits, or a relocation of his job.

Messrs. Colter, King and Przybylski are entitled to receive a severance payment in the form of salary continuation equal to 18 months’ salary and annual incentive in the event of termination of employment “without cause” by LifeWorks. They are also entitled to continuation of benefits and perquisites in the event of termination of employment without cause.

The LTIP Unit awards for all executives are governed by the rules of the LTIP.

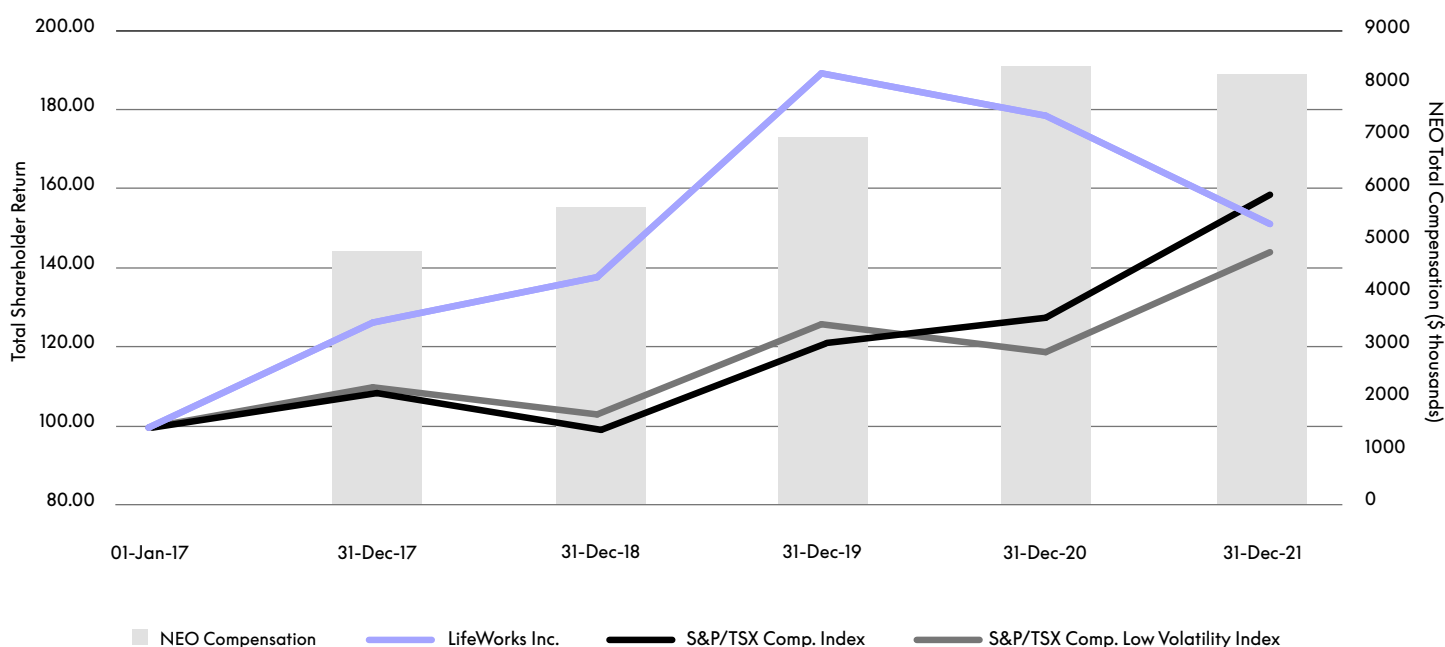
Pursuant to Phantom Share Unit Plan, upon a change of control, if the resulting entity remains publicly traded and agrees to assume all obligations of the Phantom Share Unit Plan in all material respects, the Phantom Share Unit Plan shall continue in force as determined by the HR Committee. If the resulting entity is to be a private entity (with no equity securities listed for trading on the exchange): (1) all RSUs shall immediately vest upon the closing of the change of control transaction, conditional upon the completion of the change of control and (2) the HR Committee shall have the discretion to determine what portion, if any, of any unvested PSUs shall immediately vest upon the closing of the change of control transaction, conditional upon the completion of the change of control, including the performance adjustment factors to be applied for each LTIP Participant holding PSUs, based on the achievement of each performance measure (as determined by the HR Committee) up to the date of such change of control. Upon termination of employment without cause within 12 months after a change in control, all RSUs vest and the HR Committee shall have the discretion to determine what portion, if any, of any unvested PSUs shall vest, including the performance adjustment factors to be applied for each LTIP Participant holding PSUs, based on the achievement of each performance measure (as determined by the HR Committee) up to the date of such termination.

Performance graph

The graph below compares the total cumulative return to Shareholders for \$100 invested in Shares, assuming re-investment of distributions, with the total cumulative return of the S&P/TSX Composite Index and the S&P/TSX Composite Low Volatility Index for the period from January 1, 2017 to December 31, 2021. Also included is the total compensation awarded to the NEOs as reported in the Summary Compensation Table in this Circular and in prior years. On December 31, 2021, the Shares closed at \$25.53.

For the period from January 1, 2017 to December 31, 2021

Cumulative total returns value of \$100 invested on January 1, 2017



5-year total shareholder return on \$100 investment	Jan. 1 2017	Dec. 31 2017	Dec. 31 2018	Dec. 31 2019	Dec. 31 2020	Dec. 31 2021
LifeWorks Inc.	100.00	120.70	139.67	193.43	182.25	153.70
S&P/TSX Comp. Index	100.00	109.10	99.40	122.14	128.97	161.41
S&P/TSX Comp. Low Volatility Index	100.00	110.63	103.47	127.26	119.90	146.26
NEO Compensation						
NEO total compensation		4,959	5,822	6,941	8,209	8,165

Additional information

The Shares are listed on the TSX under the trading symbol LWRK. Additional financial information is provided in the Company's Report to Shareholders (Audited Consolidated Financial Statements and Management's Discussion and Analysis ("MD&A")) for the year ended December 31, 2021. Copies of the Report to Shareholders for its most recent completed year ended December 31, 2021, the most recent Annual Information Form (together with any documents incorporated by reference therein) and this Management Information Circular, are available upon request to Investor Relations, LifeWorks, 895 Don Mills Road, Suite 700, Toronto, Ontario M3C 1W3. The above documents, as well as the Company's news releases, are also on SEDAR at sedar.com and on the LifeWorks website at lifeworks.com.

Approval of directors

The contents and the mailing to the Shareholders of this Management Information Circular have been approved by the Directors.

Dated: March 16, 2022

By Order of the Directors of LifeWorks Inc.



Susan Marsh

Corporate Secretary, LifeWorks Inc.

Schedules

Schedule "A" – comparator group for PSU performance benchmarking

The table below lists the companies in the S&P/TSX Low Volatility Index as at December 31, 2021, which the HR Committee approved for PSU performance benchmarking purposes.

Algonquin Power & Utilities Corp.	Granite Real Estate Investment Trust
AltaGas Ltd.	Great-West Lifeco Inc.
Atco Ltd I Nvtg	Hydro One Limited
Bank of Montreal	IGM Financial Inc.
Bank of Nova Scotia Halifax	Intact Financial Corporation
BCE Inc.	InterRent Real Estate Investment Trust
Brookfield Infrastructure Partners L.P.	Killam Apartment Real Estate Investment Trust
Canadian Apartment Properties Real Estate Investment Trust	Loblaws Companies Ltd.
Canadian Imperial Bank of Commerce	Metro Inc.
Canadian Utilities Ltd A NV	National Bank of Canada
Capital Power Corp	Northwest Healthcare Properties Real Estate Investment Trust
CCL Industries Inc. Class B NV	Open Text Corp
CGI Inc. Class A SV	Power Corporation of Canada
Choice Properties Real Estate Investment Trust	Premium Brands Holdings Corporation
Cogeco Communications Inc.	Quebecor Inc B SV
Crombie Real Estate Investment Trust	RioCan Real Estate Investment Trust
CT Real Estate Investment Trust	Royal Bank of Canada
Dollarama Inc.	Sienna Senior Living Inc.
Dream Industrial Real Estate Investment Trust	SmartCentres Real Estate Investment Trust
Dream Office Real Estate Investment Trust	Summit Industrial Income Real Estate Investment Trust
Emera Inc.	Sun Life Financial Serv Canada
Enbridge Inc.	TELUS Corp
First Capital Real Estate Investment Trust	TMX Group Limited
Fortis Inc.	Toronto-Dominion Bank
George Weston Ltd.	Waste Connections, Inc.

Schedule “B” – mandate of the board of directors

The purpose of this document is to set out the mandate and responsibilities of the board of directors (the “Board”) of LifeWorks Inc. (the “Company”). This mandate was last revised and approved by the Board on November 10, 2021.

Composition

The Board shall be composed of at least two-thirds of individuals who qualify as “independent directors” as defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and any other guidelines imposed by the Toronto Stock Exchange from time to time.

The Board shall, collectively, possess the skills and experience necessary to discharge its duties.

Responsibilities of the board

The Board is responsible for providing independent oversight of the management of the business and affairs of the Company. While the Board maintains oversight of the Company’s operations, it delegates to the Chief Executive Officer (the “CEO”) and senior management of the Company the responsibility for day-to-day management of the Company. The Board discharges its oversight responsibilities both directly and through its regular standing Committees (as defined below). In addition to these Committees, the Board may appoint ad hoc committees periodically to address specific matters.

The Board’s primary roles are overseeing both corporate performance and the quality, depth and continuity of management required to meet the Company’s strategic objectives. The Board is also responsible for the stewardship of the Company and in that regard shall be specifically responsible for:

- a. supervising the business and activities of the Company (which includes its subsidiaries);
- b. adopting a strategic planning process and evaluating and approving a strategic plan for the upcoming year that takes into account, among other things, the opportunities and risks to the Company’s business;
- c. reviewing and approving, on at least an annual basis, a budget for the Company;
- d. overseeing the accurate disclosure and reporting of financial results of the Company to Shareholders, other security holders and regulators on a timely and regular basis;
- e. reporting annually to the Shareholders of the Company on the affairs of the Company for the preceding year;
- f. appointing the CEO, developing a position description for the CEO and with the advice of the HR Committee (as defined below), developing Company objectives that the CEO is responsible for meeting and monitoring and assessing the performance of the CEO in light of such Company objectives and determining the compensation of the CEO;
- g. to the extent feasible, satisfying itself as to the integrity of the CEO, the Chief Financial Officer (“CFO”) and other executive officers of the Company and its subsidiaries and that such officers create a culture of integrity throughout the organization;
- h. overseeing the process for safeguarding the assets of the business of the Company and for the identification and understanding of the principal risks of the Company’s business and ensuring the implementation of appropriate systems to manage these risks, including a crisis management process in the event of a crisis situation, with a view to the long-term viability of the Company;
- i. monitoring (via the Risk Committee (as defined below)) the Company’s process for the identification and understanding of the Environmental Social Governance (“ESG”) issues that are most pertinent to the Company’s business and key stakeholders and to oversee implementation of appropriate policies and processes for assessing, monitoring and managing material ESG risks and opportunities;

- j. overseeing the development and implementation of processes, procedures and controls that are designed to assist the Company in complying with all applicable laws and legal requirements;
- k. overseeing the systems for monitoring the Company's internal control and management information systems;
- l. adopting and overseeing communication processes that enable the Company to communicate effectively, and address how the Company interacts, with all of its stakeholders, including Shareholders, analysts and the public, and which contain measures for the Company to avoid selective disclosure which are reviewed at such intervals or times as the Board deems appropriate;
- m. acting in accordance with the obligations contained in the Ontario Business Corporations Act, the regulations thereunder, the articles and by-laws of the Company, applicable securities laws and policies, applicable stock exchange rules, and other applicable legislation and regulations;
- n. establishing and maintaining a standing audit committee of the Board (the "Audit Committee"), and such other committees as the Board may determine to be in the best interests of the Company (together with the HR Committee, the Governance Committee and the Risk Committee (as defined below), the "Committees");
- o. reviewing and reassessing the adequacy of the Charters of the Committees at such intervals or times as the Board deems appropriate;
- p. receiving recommendations of the Audit Committee respecting, and reviewing and approving, the annual, interim and any other publicly announced financial information of the Company required under applicable securities laws;
- q. overseeing the Company's approach to governance, including by establishing and maintaining a standing governance and nominating committee of the Board (the "Governance Committee") and adopting a set of governance principles and guidelines that are specifically applicable to the Company;
- r. overseeing structures and procedures to enable the Board to exercise independent judgment;
- s. establishing and maintaining a standing human resources committee of the Board (the "HR Committee") to fulfill oversight responsibilities in relation to compensation, selection, development of executive management and the human resources programs and practices of the Company;
- t. establishing and maintaining a standing risk committee of the Board (the "Risk Committee") to oversee the management of risk enterprise-wide, the risk management function of the Company and the development, implementation and periodic assessment of policies, processes and controls designed to identify and effectively manage the significant risks to which the Company is exposed;
- u. receiving recommendations of the HR Committee, the Governance Committee and the Risk Committee and reviewing and approving (where applicable) such recommendations relating to the respective mandates of the Committees as set out in their Charters;
- v. implementing a process for annually assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual Directors;
- w. overseeing succession planning for the Board and Board Chair, orientation and educational opportunities for Directors, including implementing a process for examining the size of the Board and undertaking, where appropriate, a program to establish a board size that facilitates effective decision-making;
- x. implementing a process for reviewing the adequacy and form of compensation of Directors and ensuring that compensation realistically reflects the responsibilities and risk involved in being a Director;
- y. succession planning of the CEO;
- z. overseeing the process for the succession planning of executive management (including ensuring the Company has a plan addressing the succession of key roles within the Company, appointing, training and monitoring executive management);

- aa. meeting regularly with management of the Company to receive reports respecting the performance of the Company's business, new and proposed initiatives, management concerns and any areas of concern involving the Company's business; and
- bb. meeting regularly without Management.

It is recognized that every Director, in exercising powers and discharging duties, must act honestly and in good faith with a view to the best interest of the Company. Directors must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In this regard, they will comply with their duties of honesty, loyalty, care, diligence, skill and prudence.

In addition, Directors are expected to carry out their duties in accordance with policies adopted by the Board from time to time, including the policy attached as Appendix A.

It is expected that each subsidiary of the Company will cooperate in all ways to facilitate compliance by the Board with its legal duties and this mandate by causing such subsidiary to take such actions as may be necessary in that regard and by promptly reporting any data or information to the Board that may affect such compliance.

Responsibilities of the Chair

The Chair will be an "independent" Director who is appointed by the Board to assist the Board in fulfilling its duties effectively and efficiently. The key accountabilities of the Chair include the following:

- a. guide and direct the governance process of the Board, centring the work of the Board on the Company's mission, vision, values and strategic direction;
- b. establish agendas for Board and Shareholder meetings, in collaboration with the CEO;
- c. preside over Board and Shareholder meetings in a manner that encourages participation and information sharing while moving toward timely closure and prudent decision-making;
- d. monitor the adequacy of the materials provided to the Directors by management in connection with the directors' deliberations;
- e. ensure appropriate Board record-keeping and reporting;
- f. ensure that the Board understands the boundaries between Board and management responsibilities;
- g. act as a liaison between Directors and management, including communicating to senior management concerns or feedback of the Board, Shareholders, clients and other stakeholders received by the Chair;
- h. ensure that the independent Directors of the Board have adequate opportunities to meet without management present;
- i. communicate to the CEO, as appropriate, the results of private discussions among independent Directors;
- j. liaise with Committee Chairs regarding work of Committees and where certain Board functions have been delegated to the Committees, ensure the results are reported to the Board;
- k. work with the Chair of the HR Committee to review and assess the compensation planning of the CEO;
- l. serve as the Board's central point of official communication with the CEO and develop a positive collaborative relationship with the CEO;
- m. lead the Board's effectiveness assessment process including the annual assessment of the performance and effectiveness of the Board, the Committees, Committee Chairs and individual Directors;
- n. lead Board development including Director recruitment, valuation and orientation and manage Board relations;
- o. on an ongoing basis, assess whether the Board and Committees have appropriate access to outside advisors for the purposes of the Board fulfilling its responsibilities under this mandate;
- p. report to the Board on material matters arising in undertaking his or her functions and responsibilities outlined herein, and if necessary, make recommendations to the Board for the Board's approval on these matters; and

- q. perform such other functions as may be ancillary to the duties and responsibilities described above and as may be delegated to the Chair by the Board from time to time.

Responsibilities of the CEO

The CEO reports to the Board and is accountable, within the context and prescribed limits of the Board, for developing and executing the strategic direction, enhancing revenue and profit growth, and increasing balance sheet and Shareholder value. This includes supporting the Board in fulfilling its function.

The key accountabilities for the CEO include the following:

- a. manage the business and affairs of the Company;
- b. ensure that the Company has an effective management team and has a plan for management development and succession;
- c. motivate, lead and mentor the executive management team, including working to attract and retain individuals with the requisite skills and experience;
- d. lead the development and, following Board approval, execution of the strategy and strategic direction for the growth of the Company;
- e. develop, implement and maintain a business planning and review system that includes level appropriate vision, mission, values, strategic positioning, operational plan and resource plan;
- f. identify, assess, monitor and manage the principal risks of the Company;
- g. with executive management, develop, implement and maintain an optimal organizational alignment to implement the business plan including the strategy (including the use of committees);
- h. resource allocation, strategic human resources management, succession planning and talent pool development;
- i. leadership in the development of strong ties with clients, key stakeholders, investors, Board and employees, including a key accountability for investor relations;
- j. leverage industry experience, expertise and relationships in acquisitions and alliances;
- k. economic resourcing, including capital structure of the enterprise and financial management;
- l. support and development of enterprise values, culture and ethics and encourage and promote a culture of ethical business conduct and integrity throughout the Company in keeping with the Company's Code of Business Conduct and Ethics;
- m. review and establish, with the assistance of the CFO, the financial reporting and public disclosure of the Company including applicable disclosure controls and procedures and internal controls over financial reporting and satisfy himself or herself concerning the processes followed in their preparation and provide the certifications required under applicable securities laws concerning such reporting and disclosure;
- n. report to, and meet regularly with and as required, the Board and all formally appointed Committees of the Board to review Board and Committee issues and provide the Board or the relevant Committee with all information and access to management necessary to permit the Board or the relevant Committee to fulfill its statutory and other legal obligations on a timely basis;
- o. assist in the development of Board policies regarding the Company's communications with Shareholders, the investment community, media, governments and their agencies, employees and the public;
- p. coordinate with the Chair of the Board to ensure that information requested by a director is provided and meets the needs of that Director;
- q. respect the Board's role and independence, including the other directors' need to meet *in camera* without the CEO being present;
- r. perform such other duties as are regulatory and customarily performed by a CEO or a reporting issuer; and
- s. such other appropriate responsibilities as are delegated to him or her by the Board.

Decisions requiring prior approval of the board

Approval of the Board shall be required for:

- a. dividends to Shareholders;
- b. significant acquisitions/dispositions;
- c. related-party transactions;
- d. the public dissemination of the Company's audited annual financial statements and its interim quarterly financial statements;
- e. the issuance or repurchase of securities of the Company;
- f. the Charters of Committees of the Board;
- g. the management information circular and annual information form;
- h. any amendment to the articles of the Company and any significant reorganization of the Company;
- i. the adoption, amendment or repeal of any by-law of the Company; and
- j. any other matter that would give rise to a "material change" to the Company (as defined under applicable securities laws).

The foregoing list is intended to specify particular matters requiring Board approval and is not intended to be exhaustive.

Measures for receiving shareholder feedback

The Board shall oversee establishment and operation of mechanisms for receiving the feedback of Shareholders and other stakeholders, including appropriate reporting to the Board of the feedback received through such mechanisms.

The Company shall hold at each annual meeting of shareholders an advisory vote on the Company's approach to executive compensation. The Board shall oversee a response, if any, it deems necessary following such an advisory vote.

Meetings

The Board shall meet at least quarterly: three meetings to review quarterly results; and one prior to the issuance of the annual financial results of the Company. In addition, the Board should meet as it considers appropriate to consider strategic planning for the Company or other matters as they arise from time to time. Financial and other appropriate information should be made available to the Directors in advance of the meetings. Attendance at each meeting of the Board shall be recorded. Minutes shall be kept of all Board meetings and shall be signed by the Chair and the Secretary of the meeting. The Secretary of the Board shall circulate the minutes of the meetings of the Board to all members of the Board following each meeting. Management may be asked to participate in any meeting of the Board provided that the CEO must not be present during deliberations or voting regarding his or her compensation. A quorum for the meetings shall be a majority of the Directors then holding office.

Independent Directors should meet separately from the non-independent Directors and management at each Board meeting, including in conjunction with regularly scheduled Board meetings and at such other times as the independent Directors consider appropriate to ensure that the Board functions in an independent manner.

Meeting guidelines

Directors will be expected to have read and considered the materials sent to them in advance of each meeting, and to be prepared to discuss the matters contained in such materials at the meeting. Administrative matters (e.g., bank signing resolutions, etc.) that require a vote may be batched for voting purposes. The notice of meeting will highlight significant matters to be dealt with at each meeting so that Directors can focus on reviewing the related materials.

Telephone board meetings

A Director may participate in a meeting of the Directors or in a committee meeting by means of telephone, electronic or such other communications facilities as permit all persons participating in the meeting to communicate with each other and a Director participating in such a meeting by such means is deemed to be present at the meeting.

While it is the intent of the Board to follow an agreed upon meeting schedule as closely as possible, it is felt that, from time to time, with respect to time sensitive matters telephonic or electronic, Board meetings may be required to be called. Additionally, where appropriate, certain matters may be approved by written resolution in accordance with applicable law, such as approval for the monthly dividends to Shareholders.

Expectations of management

Management of the Company shall be required to report to the Board at the request of the Board on the performance of the Company, new and proposed initiatives, management's concerns and any other matter the Board or its Chair may deem appropriate in relation to the Company's business. In addition, the Board expects management to promptly report to the Chair of the Board any significant developments, changes, transactions or proposals respecting the Company.

Appendix A – policy of practices for directors

Attendance at meetings

Each Director is expected to have a very high record of attendance at meetings of the Board, and at meetings of each Committee on which the Director sits. A Director is expected to:

- a. advise the Chair as to planned attendance at Board and Committee meetings shortly after meeting schedules have been distributed;
- b. advise the Chair as soon as possible after becoming aware that he or she will not be able to attend a meeting; and
- c. attend a meeting by telephone conference if unable to attend in person.

Preparation for meetings

Directors are expected to carefully review and consider the materials distributed in advance of a meeting of the Board or a Committee. Directors are also encouraged to contact the Chair, the CEO of the Company and any other appropriate officers to ask questions and discuss agenda items prior to meetings.

Conduct at meetings

Directors are expected to ask questions and participate in discussions at meetings, and to contribute relevant insights and experience. In discussions at meetings, a Director should:

- a. be candid and forthright;
- a. not be reluctant to express views contrary to those of the majority;
- a. be concise and, in most circumstances, respect the time constraints of a meeting; and
- a. be courteous to and respectful of other Directors and guests in attendance.

Knowledge of the business of the company

Directors are expected to be knowledgeable with respect to the various fields and practices of business of the Company. Although management has a duty to keep the Board informed about developments in the Company's business, Directors have a primary duty of care and diligence, which includes a duty of inquiry. Directors should:

- a. ask questions of management and other directors/managers, at meetings and otherwise, to increase their knowledge of the business of the Company;
- b. familiarize themselves with the risks and challenges facing the business of the Company;
- c. read all internal memoranda and other documents circulated to the Directors, and all reports and other documents issued by the Company for external purposes;
- d. insist on receiving adequate information from management with respect to a proposal before Board approval is requested;
- e. familiarize themselves with the Company's competitors by, among other things, reading relevant news, magazine and trade journal articles; and
- f. familiarize themselves with the legal and regulatory framework within which the Company carries on its business.

Personal conduct

Directors are expected to:

- a. exhibit high standards of personal integrity, honesty and loyalty to the Company;
- b. project a positive image of the Company to news media, the financial community, governments and their agencies, Shareholders and employees;
- c. be willing to contribute extra efforts, from time to time as may be necessary, including, among other things, being willing to serve on Committees of the Board;
- d. disclose any potential conflict of interest that may arise with the business or affairs of the Company and, generally, avoid entering into situations where such conflicts could arise or could reasonably be perceived to arise; and
- e. maintain the confidentiality of information received in connection with his or her service as a Director of the Company.

Other directorships

Directors should advise the Chair of the Governance Committee before accepting any new membership on other boards of directors.

Independent advice

For clarity, in discharging its mandate, the Board shall have the authority to retain, authorize payment by the Company of and receive advice from, special legal, accounting or other advisors and outside consultants, if appropriate.

Schedule "C" – maximum number of shares issuable under security-based compensation plans & burn rates

As of December 31, 2020, all Company security-based compensation plans are now closed for future grants; however, there are outstanding awards under these plans. All future grants have been made under the Phantom Plan and Director Phantom Plan, respectively. The Phantom Plan and the Director Phantom Plan are cash settled plans and as such the Company will not be required to issue Shares from treasury to satisfy the settlement of Phantom Units under these plans.

The maximum number of Shares issuable pursuant to LifeWorks' security-based compensation plans (subject to adjustment in certain circumstances as outlined in the plans) shall not exceed 6.3% of the aggregate number of Shares outstanding from time to time, which include the following plans and their applicable reserves:

- Income Fund LTIP, 2011 LTIP and 2017 LTIP – 5.3% in the aggregate
- Director DSU Plan – 1.0%

The following table outlines the details of the number of Units or Shares issued and outstanding pursuant to the security-based compensation plans as of March 16, 2022:

	No. of Units ¹ or Shares ²	% of aggregate number of Shares outstanding
Maximum number of Shares reserved and available for issuance from treasury under the LTIPs and the Director DSU Plan	4,366,867	6.3
Number of Shares available for issuance from treasury under the 2017 LTIP and the Director DSU Plan	2,878,972	4.2
Total number of LTIP Units outstanding as a percentage of the number of Shares issued and outstanding broken down as follows:	1,331,694	1.9
• Number of Income Fund Units outstanding under the Income Fund LTIP	105,637	0.2
• Number of 2011 LTIP Units outstanding under the 2011 LTIP	749,041	1.1
• Total Number of 2017 LTIP Units outstanding under the 2017 LTIP	477,016	0.7
Number of Director DSUs outstanding under the Director DSU Plan	156,200	0.2

¹ Inclusive of reinvested dividends awarded on outstanding grants

² As of March 16, 2022, there are 69,315,348 Shares issued and outstanding

The above-mentioned long-term incentive plans are now closed and no further grants will be made under these plans.

Assignability. No right or interest of any LTIP Participant under the LTIP shall be assignable or transferable in whole or in part, either directly or otherwise.

Amendment or Termination of the LTIP. Shareholder approval shall not be required for amendments to the LTIP, which may include but are not limited to:

- amendments of a “housekeeping” nature;
- a change to the vesting or redemption provisions of any LTIP Unit; or
- a change to the eligible participants of the LTIP.

Notwithstanding the foregoing, the following amendments shall require Shareholder approval:

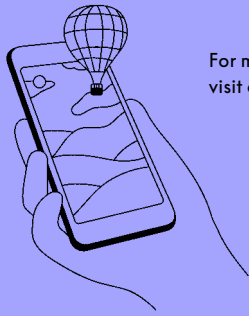
- any amendment to remove or exceed the insider participation limits and non-employee director limits as described in the LTIP;
- any increase in the maximum number of Shares issuable under the LTIP;
- any amendment to the LTIP that increases the length of the period after a blackout period during which LTIP Units may be redeemed;
- any change that would permit LTIP Units to be transferable or assignable, other than as contemplated in the LTIP;
- any amendment that would permit non-employee Directors to be eligible to receive LTIP Units; or
- any amendment to the amendment provisions of the LTIP.

The following table sets out the security-based compensation arrangements burn rate:

Fiscal Year	Grant Type	Number of awards granted in the fiscal year	Weighted average # of outstanding securities	Burn rate ¹
2021 ²	Total Award Grant	0	70,072,649	0%
	LTIP	0	70,072,649	0%
	Director DSU	0	70,072,649	0%
2020	Total Award Grant	358,209	69,815,292	0.51%
	LTIP	311,365	69,815,292	0.45%
	Director DSU	46,844	69,815,292	0.07%
2019	Total Award Grant	300,116	66,160,546	0.45%
	LTIP	269,877	66,160,546	0.41%
	Director DSU	30,239	66,160,546	0.05%

¹ Burn rates do not include the impact of multipliers for PSUs vesting in 2021. PSUs may vest between 0% and 200%

² Grants beginning with the 2021 year are made in phantom shares as per the new equity plan.



For more information about LifeWorks,
visit our website lifeworks.com