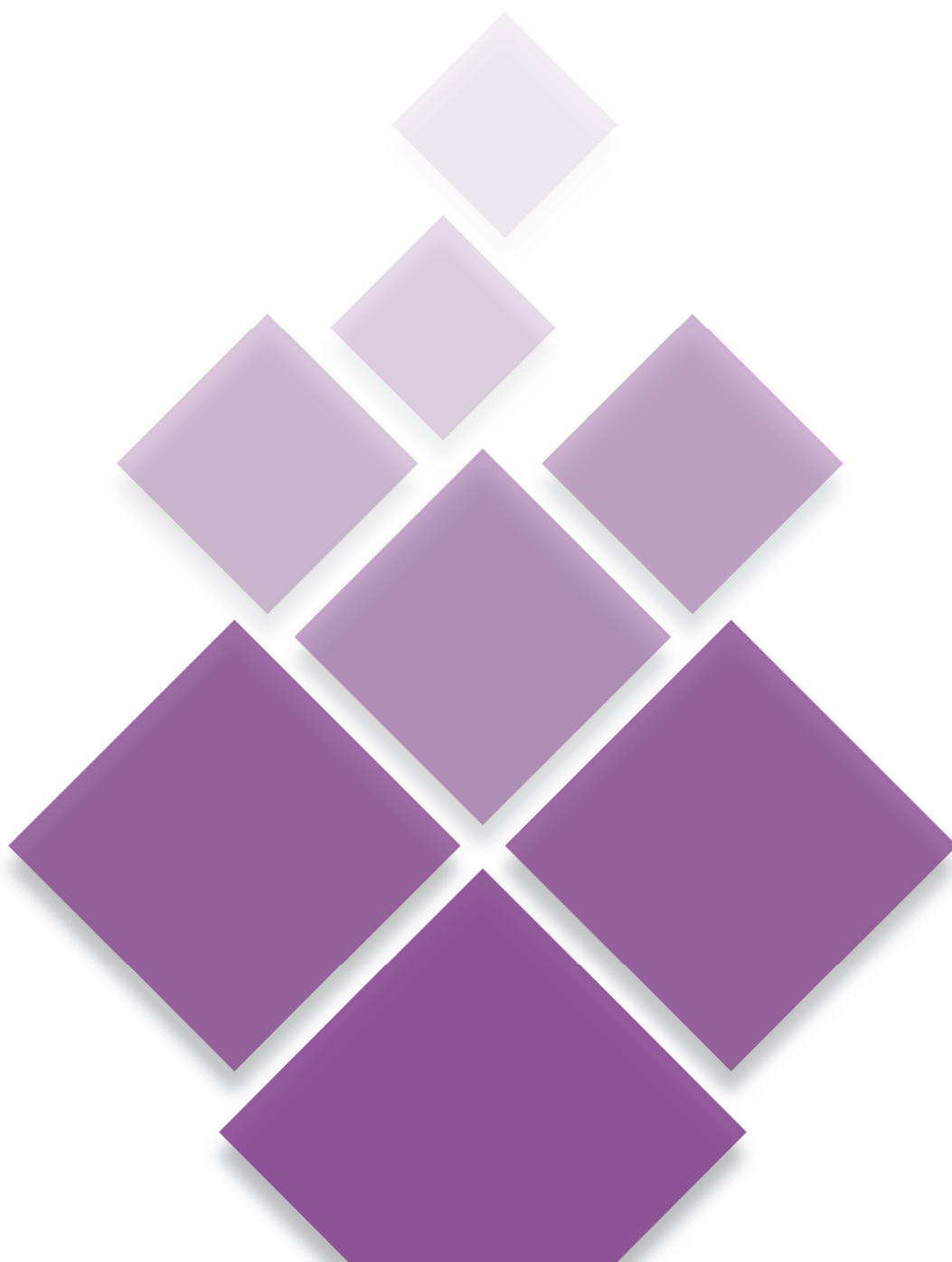


MANAGEMENT INFORMATION CIRCULAR

MARCH 27, 2020

**Notice of Annual and Special Meeting of  
Shareholders to be held on April 29, 2020**



AIMIA



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# NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

to be held on April 29, 2020

**NOTICE IS HEREBY GIVEN** that the annual and special meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares (“**Shares**”) of Aimia Inc. (“**Aimia**” or the “**Corporation**”) will be held online via live audio webcast at <https://web.lumiagm.com/101271258> on April 29, 2020, at 10:30 a.m. (Eastern Daylight Time) for the following purposes:

- (a) to receive the consolidated financial statements of the Corporation for the year ended December 31, 2019, including the auditors’ report thereon;
- (b) to elect the directors of the Corporation (collectively, the “**Directors**”, and individually, a “**Director**”) who will serve until the end of the next annual meeting of Shareholders or until their successors are appointed;
- (c) to appoint the auditors of the Corporation;
- (d) to consider and, if deemed advisable, to adopt a special resolution authorizing an amendment to the articles of amalgamation of the Corporation (the “**Articles**”) to change the province of the registered office of the Corporation (the “**Change of Registered Office Resolution**”), as more fully described in the accompanying management information circular;
- (e) to consider and, if deemed advisable, to adopt a special resolution authorizing an amendment to the Articles to consolidate the Shares (the “**Share Consolidation Resolution**”), as more fully described in the accompanying management information circular;
- (f) to consider and, if deemed advisable, to adopt, on an advisory basis, a resolution accepting the Corporation’s approach to executive compensation (the “**Say-on-Pay Advisory Resolution**”), as more fully described in the accompanying management information circular; and
- (g) to transact such further and other business as may properly be brought before the Meeting or any adjournment thereof.

Specific details of the matters to be put before the Meeting are set forth in the accompanying management information circular.

The record date for determination of Shareholders entitled to receive notice of and to vote at the Meeting is March 27, 2020.

This year, out of an abundance of caution, to proactively deal with the unprecedented public health impact of coronavirus disease 2019, also known as COVID-19, and to mitigate risks to the health and safety of our communities, Shareholders, employees and other stakeholders, we will hold the Meeting in a virtual only format, which will be conducted via live audio webcast. Shareholders will have an equal opportunity to participate at the Meeting online regardless of their geographic location.

Shareholders and duly appointed proxyholders will be able to attend the Meeting, ask questions and vote, all in real time, provided they are connected to the internet and comply with all of the requirements set out in the management information circular. Shareholders who are unable to attend the Meeting or any postponement thereof are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment or postponement thereof. To be effective, the proxy must be received by AST Trust Company (Canada) (“**AST**” or the “**Transfer Agent**”) at one of its principal offices in Montréal, Toronto, Vancouver or Calgary, by no later than 5:00 p.m. (Eastern Daylight Time) on April 27, 2020, or prior to 5:00 p.m. (Eastern Daylight Time) on the second to last business day preceding any adjournment or postponement of the Meeting. The time limit for the deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion without notice.

A proxyholder has discretion under the accompanying form of proxy to consider amendments or variations of the matters of business to be acted on at the Meeting. Shareholders who are planning on returning the accompanying form of proxy are encouraged to review the accompanying management information circular carefully before submitting the form of proxy.

Dated at the City of Montréal, in the Province of Quebec, as of the 27<sup>th</sup> day of March, 2020.

By Order of the Board of Directors of Aimia Inc.

Edouard Dong Vo-Quang (*signed*)  
General Counsel and Corporate Secretary

# MANAGEMENT INFORMATION CIRCULAR

## **Introduction**

This management information circular (this “**Information Circular**”) is furnished in connection with the solicitation of proxies by and on behalf of management of the Corporation (“**Management**”) for use at the Meeting and any adjournment or postponement thereof. No person has been authorized to give any information or make any representation in connection with any matters to be considered at the Meeting other than those contained in this Information Circular and, if given or made, any such information or representation must not be relied upon as having been authorized.

All capitalized terms used in this Information Circular but not otherwise defined herein have the meanings set forth in the Notice of Annual and Special Meeting of Shareholders. Unless otherwise indicated in this Information Circular, *Aimia*, *we*, *us*, *our* or *the Corporation* refer to Aimia Inc., and, where the context requires, its subsidiaries and associated companies.

Information contained in this Information Circular is given as of March 27, 2020, unless otherwise specifically stated.

## GENERAL PROXY MATTERS

The following questions and answers provide guidance on how to vote your Shares.

### **Who is soliciting my proxy?**

**Management of the Corporation is soliciting your proxy.** Solicitations of proxies will be primarily by mail, but may also be by newspaper publication, in person or by telephone, fax or oral communication by directors, officers or employees of the Corporation who will be specifically remunerated therefor by the Corporation. Aimia may also reimburse brokers and other persons holding Shares in their name or in the name of nominees for their costs incurred in sending proxy material to their principals in order to obtain their proxies.

### **Who can vote?**

Shareholders of record on March 27, 2020 are entitled to receive notice of and vote at the Meeting. Shareholders are entitled to one (1) vote per Share on any matters that may come before the Meeting. As of March 27, 2020, there were 93,838,329 Shares issued and outstanding.

A quorum of Shareholders shall be present at the Meeting if two or more persons holding not less than 25% of the Shares entitled to vote at the Meeting attend online or are represented by proxy, irrespective of the number of persons who actually attend the Meeting.

If a body corporate or association is a Shareholder, the Corporation shall recognize any individual authorized by a resolution of the directors or governing body of the body corporate or association to represent it at the Meeting. An individual thus authorized may exercise on behalf of the body corporate or association all the powers it could exercise if it were an individual Shareholder. If two or more persons hold Shares jointly, one of those holders who attends the Meeting may in the absence of the others vote the Shares, but if two or more of those persons who attend online or are represented by proxy, vote, they shall vote as one on the Shares jointly held by them.

As of March 27, 2020, to the knowledge of the Directors and Executive Officers of the Corporation, based on Shareholders' public filings, the only persons or companies who beneficially owned, or exercised control or direction over, directly or indirectly, Shares carrying 10% or more of the votes attached to all outstanding Shares of the Corporation was Mittleman Investment Management, LLC, an investment and wealth management firm, which exercised control or direction over 24,262,789 Shares, representing approximately 25.86% of the outstanding Shares.

### **How do I vote?**

You can attend the Meeting or you can appoint someone else to vote for you as your proxyholder. A Shareholder entitled to vote at the Meeting may by means of a proxy appoint a proxyholder or one or more alternate proxyholders, who are not required to be Shareholders, to attend and act at the Meeting in the manner and to the extent authorized by the proxy and with the authority conferred by the proxy. Voting by proxy means that you are giving the person named on your form of proxy ("**proxyholder**") the authority to vote your Shares for you at the Meeting or any adjournment or postponement thereof. Make sure that the person you appoint is aware that he or she has been appointed and attends the Meeting for your vote to count.

You can choose from among three (3) different ways to vote your Shares by proxy:



on the Internet;



by telephone; or



by mail.

The persons who are named on the form of proxy are Directors of the Corporation and will vote your Shares for you. **You have the right to appoint someone else to be your proxyholder.** If you appoint someone else, he or she must attend the Meeting to vote your Shares.

#### ***How do I vote if I am a registered Shareholder?***

You are a registered Shareholder if your name appears on your Share certificate. If you are not sure whether you are a registered Shareholder, please contact AST at 1-800-387-0825.

#### Voting by proxy



*On the Internet*

Go to the website [www.astvotemyproxy.com](http://www.astvotemyproxy.com) and follow the instructions on the screen. Your voting instructions are then conveyed electronically over the Internet.

**The cut-off time for internet voting is 10:30 a.m. (Eastern Daylight Time) on April 27, 2020.**



*By telephone*

Voting by proxy using the telephone is only available to Shareholders located in Canada and the United States. Call 1-888-489-7352 (toll-free in Canada and the United States) and follow the instructions provided. Your voting instructions are then conveyed by using touchtone selections over the telephone.

You will need your 13 digit control number. You will find this number on your form of proxy or in the email addressed to you if you chose to receive this Information Circular electronically.

If you choose the telephone, you cannot appoint any person other than the Directors of the Corporation named on your form of proxy as your proxyholder.

**The cut-off time for voting by telephone is 10:30 a.m. (Eastern Daylight Time) on April 27, 2020. The time limit for the deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion without notice.**



*By mail*

Accompanying this Information Circular is a form of proxy for Shareholders.

Complete your form of proxy and return it in the envelope we have provided or by delivery to one of AST's principal offices in Montréal, Toronto, Vancouver or Calgary **for receipt before 10:30 a.m. (Eastern Daylight Time) on April 27, 2020, or prior to 10:30 a.m. (Eastern Daylight Time) on the second to last business day preceding any adjournment or postponement of the Meeting.**

If you return your proxy by mail, you can appoint a person other than the Directors of the Corporation named in the form of proxy as your proxyholder. This person does not have to be a Shareholder. Fill in the name of the person you are appointing in the blank space provided on the form of proxy. Complete your voting instructions, and date and sign the form. Make sure that the person you appoint is aware that he or she has been appointed and attends the Meeting. Shareholders who wish to appoint a person other than the Directors of the Corporation named in the form of proxy or voting instruction form (including a non-registered shareholder who wishes to appoint themselves to attend the virtual meeting) must also register such proxyholder with AST, the transfer agent for the Shares, after submitting the form of proxy or voting instruction form. **Failure to register the proxyholder with AST will result in the proxyholder not receiving**

**a control number to participate in the virtual meeting and only being able to attend as a guest. Guests will be able to listen to the virtual meeting but will not be able to vote or ask questions.**

Please refer to the section of this Information Circular titled “General Proxy Matters – How do I complete the form of proxy?” on page 6 for further details.



#### Voting at the Meeting

Registered Shareholders may vote at the Meeting by completing a ballot online during the Meeting, as further described in the section of this Information Circular titled “General Proxy Matters – How do I attend and participate at the Meeting?” on page 7.

#### ***How do I vote if I am a non-registered Shareholder?***

You are a non-registered Shareholder if your bank, trust company, securities broker or other financial institution (your “**nominee**”) holds your Shares for you. If you are not sure whether you are a non-registered Shareholder, please contact AST at 1-800-387-0825.

Non-registered Shareholders are either “objecting beneficial owners” (“**OBOs**”) as defined in National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) who object that intermediaries disclose information about their ownership in the Corporation, or “non-objecting beneficial owners” (“**NOBOs**”), as defined in NI 54-101, who do not object to such disclosure. The Corporation pays intermediaries to send proxy-related materials to OBOs and NOBOs.

#### Voting by voting instruction form

Your nominee is required to ask for your voting instructions before the Meeting. Please contact your nominee if you did not receive a request for voting instructions in this package.

In most cases, non-registered Shareholders will receive a voting instruction form which allows you to provide your voting instructions on the Internet or by mail. You will need your control number found on your voting instruction form if you choose to vote on the Internet. Alternatively, non-registered Shareholders may complete the voting instruction form and return it by mail, as directed in the voting instruction form.

Aimia may also use Broadridge Financial Solution Inc.’s QuickVote™ service to assist beneficial Shareholders with voting their shares.

The time limit for the deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion without notice.

#### ***How do I vote if I am an employee holding Shares under the Employee Share Purchase Plan of the Corporation?***

Shares purchased by employees of the Corporation (“**Employee Shares**”) under the employee share purchase plan of the Corporation (the “**Employee Share Purchase Plan**”) are beneficially held by Computershare Trust Company of Canada (“**Computershare**”), as administrative agent, in accordance with the provisions of the Employee Share Purchase Plan, unless the employees have withdrawn their Shares from the plan. If you are not sure whether you are an employee holding your Shares through Computershare, please contact Computershare at 1-866-982-1878.

In the event that an employee holds any Shares other than Employee Shares, he or she must also complete a form of proxy or voting instruction form with respect to such additional Shares in the manner indicated above for registered Shareholders or non-registered Shareholders, as applicable.



### Voting by voting instruction form

A voting instruction form is enclosed with this Information Circular which allows you to provide your voting instructions on the Internet or by mail.

#### *On the Internet*

Go to the website at [www.investorvote.com](http://www.investorvote.com) and follow the instructions on the screen. Your voting instructions are then conveyed electronically over the Internet.

You will need the 15 digit control number found on your voting instruction form.

If you return your voting instruction form via the Internet, you can appoint a person other than Computershare as your proxyholder. This person does not have to be a Shareholder. Indicate the name of the person you are appointing in the space provided on the voting instruction form. Complete your voting instructions, and date and submit the form. Make sure that the person you appoint is aware that he or she has been appointed and attends the Meeting.

**The cut-off time for voting over the Internet is 11:59 p.m. (Eastern Daylight Time) on April 24, 2020.**

#### *By mail*

Alternatively, you may vote your Shares by completing the voting instruction form as directed on the form and returning it in the business reply envelope provided **for receipt before 5:00 p.m. (Eastern Daylight Time) on April 24, 2020.**

***How do I vote at the Meeting if I am a non-registered Shareholder or an employee voting my Employee Shares held pursuant to the Employee Share Purchase Plan?***

If you have received a voting instruction form and you wish to vote at the Meeting, you must appoint yourself as proxyholder. To appoint yourself as proxyholder, write your name in the space provided on the voting instruction form and follow the instructions otherwise provided in the voting instruction form.

**The time limit for the deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion without notice.**

### **How do I complete the form of proxy?**

You can choose to vote "For" or "Withhold" with respect to the election of each of the nominated Directors and the appointment of the auditors, and "For" or "Against" with respect to the Change of Registered Office Resolution, Share Consolidation Resolution and Say-on-Pay Advisory Resolution. If you are a non-registered Shareholder voting your Shares, or an employee voting your Employee Shares held pursuant to the Employee Share Purchase Plan, please follow the instructions provided in the voting instruction form provided.

When you sign the form of proxy without appointing an alternate proxyholder, you authorize Charles Frischer or Philip Mittleman, who are Directors of the Corporation, to vote or withhold from voting your Shares for you at the Meeting in accordance with your instructions. **If you return your proxy without specifying how you want to vote your Shares, your Shares will be voted FOR the election of each of the nominee Directors named in this Information Circular, FOR the appointment of PricewaterhouseCoopers LLP as the auditors of the Corporation and the determination of their remuneration by the Directors of the Corporation, FOR the approval of the Change of Registered Office Resolution, FOR the approval of the Share Consolidation Resolution, and FOR the approval of the Say-on-Pay Advisory Resolution, and as your proxyholder sees fit on any other matters to be considered at the Meeting.**

The board of directors of the Corporation (the "Board of Directors" or the "Board") has adopted a policy regarding majority voting for the election of Directors. This policy is described under "The Nominated Directors – Majority Voting for Election of Directors" on page 25.

The Directors of the Corporation are not aware of any other matters which will be presented for action at the Meeting. The persons named in the enclosed form of proxy will have discretionary authority with respect to any amendments or variations of the matters of business to be acted on at the Meeting or any other matters properly brought before the Meeting or any adjournment or postponement thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the Meeting is routine and whether or not the amendment, variation or other matter that comes before the Meeting is contested.

**A Shareholder has the right to appoint a person or entity (who need not be a Shareholder) to attend and act for him/her on his/her behalf at the Meeting other than the persons named in the enclosed instrument of proxy.**

A proxyholder has the same rights as the Shareholder by whom it was appointed to speak at the Meeting in respect of any matter, to vote by way of ballot at the Meeting and, except where the proxyholder has conflicting instructions from more than one Shareholder, to vote at the Meeting in respect of any matter.

If you are an individual Shareholder, you or your authorized attorney must sign the form of proxy. If you are a corporation or other legal entity, an authorized officer or attorney must sign the form of proxy.

## **How do I attend and participate at the Meeting?**

The Corporation is holding the Meeting in a virtual only format, which will be conducted via live audio webcast. Shareholders will not be able to attend the Meeting in person.

Attending the Meeting online enables registered Shareholders and duly appointed proxyholders, including non-registered (beneficial) Shareholders who have duly appointed themselves as proxyholder, to participate at the Meeting and ask questions, all in real time. Registered Shareholders and duly appointed proxyholders can vote at the appropriate times during the Meeting by completing an online ballot through the live webcast platform.

Guests, including non-registered beneficial Shareholders who have not duly appointed themselves as proxyholder, can log in to the Meeting as set out below. Guests can listen to the Meeting but are not able to vote.

- Step 1: Log in online at <https://web.lumiagm.com/101271258>. We recommend that you log in at least one hour before the Meeting starts.
- Step 2: Follow these instructions:

Registered Shareholders: Click “I have a control number” and then enter your control number (see below) and Password “aim2020” (case sensitive). The control number located on the form of proxy or in the email notification you received from AST is your control number. If you use your control number to log in to the meeting, any vote you cast at the meeting will revoke any proxy you previously submitted. If you do not wish revoke a previously submitted proxy, you should not vote during the meeting.

Duly appointed proxyholders: Click “I have a control number” and then enter your control number (see below) and Password “aim2020” (case sensitive). Proxyholders who have been duly appointed and registered with AST as described in this circular will receive a control number by email from AST after following the procedure set forth below.

Guests: Click “Guest” and then complete the online form.

If you attend the Meeting online, 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 connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.

Appointees who wish to obtain a control number to vote during the meeting must complete the additional step of registering the proxyholder by call to AST at 1-866-751-6315 (within North America) or 1 (212) 235-5754 (outside of North America) by no later than 10:30 a.m. (Eastern Daylight Time) on April 27, 2020, or prior to 10:30 a.m. (Eastern Daylight Time) on the second to last business day preceding any adjournment or postponement of the Meeting. Failing to register your proxyholder online will result in the proxyholder not receiving a control number, which is required to vote at the meeting.

## **If I change my mind, how can I revoke my proxy?**

In addition to revocation in any other manner permitted by law, a Shareholder giving a proxy and submitting it by mail may revoke it by an instrument in writing executed by the Shareholder or the Shareholder's attorney authorized in writing and deposited either at the Montréal office of AST, at 2001 Robert-Bourassa Blvd., Suite 1600, Montréal, Quebec, Canada, H3A 2A6, or, at the Corporation's current registered office, at 525 Viger Avenue West, Suite 1000, Montréal, Quebec, Canada, H2Z 0B2 at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, at which the proxy is to be used. If you have followed the process for attending and voting at the Meeting online, voting at the Meeting online will revoke your previous proxy. If the voting instructions were conveyed by telephone or over the Internet, conveying new voting instructions by any of these two (2) means or by mail within the applicable cut-off times will revoke the prior instructions.

## **BUSINESS OF THE MEETING**

Seven (7) items will be covered at the Meeting:

1. presentation of the consolidated financial statements of the Corporation for the year ended December 31, 2019, including the auditors' report thereon;
2. election of the Directors of the Corporation who will serve until the end of the next annual meeting of Shareholders or until their successors are appointed;
3. appointment of the auditors of the Corporation and the determination by the Directors of the Corporation of the auditors' remuneration;
4. a vote to consider and, if deemed advisable, to adopt the Change of Registered Office Resolution;
5. a vote to consider and, if deemed advisable, to adopt the Share Consolidation Resolution;
6. an advisory vote on executive compensation; and
7. transaction of such further and other business as may properly be brought before the Meeting or any adjournment thereof.

As of the date of this Information Circular, the Directors of the Corporation are not aware of any changes to these items, and do not expect any other items to be brought forward at the Meeting. **If there are changes or new items, your proxyholder can vote your Shares on these items as he or she sees fit.**

### **Presentation of Financial Statements**

The consolidated financial statements of the Corporation for the year ended December 31, 2019, including the auditors' report thereon submitted to the Shareholders, are available on our website at [www.aimia.com](http://www.aimia.com) or on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Election of Directors**

Shareholders will be asked to elect the Directors of the Corporation. Each Director elected at the Meeting will hold office until the end of the next annual meeting of Shareholders or until his or her successor is appointed. Please see "The Nominated Directors" on page 18.

The Board of Directors has adopted a policy regarding majority voting for the election of Directors. This policy is described under "The Nominated Directors – Majority Voting for Election of Directors" on page 25.

Please see "The Nominated Directors – Expectations for Individual Directors, Succession Planning and Skills Matrix" on page 25 and "The Nominated Directors – Diversity Policy" on page 26 for a description of expectations for individual Directors as well as details relating to Aimia's Diversity Policy for its Board of Directors and Executive Officers.

All of the individuals nominated for election as Directors are currently members of the Board of Directors.

The Governance and Nominating Committee of the Board of Directors has reviewed the qualifications and recommended for election to the Board each of the nominees. The nominees are, in the opinion of the Board, well qualified to act as Directors for the coming year. Each nominee has established and confirmed his or her eligibility and willingness to serve as a Director, if elected.

**The Board of Directors of the Corporation recommends that Shareholders vote FOR the election as Directors of each of the nominee directors who are named in this Information Circular.**

**If you do not specify how you want your Shares voted, the persons named as proxyholders will cast the votes represented by proxy at the Meeting FOR the election as Directors of each of the nominee directors who are named in this Information Circular.**

### **Appointment of Auditors**

The Board of Directors, on the advice of the Audit, Finance and Risk Committee of the Board of Directors (the "**Audit Committee**"), recommends that PricewaterhouseCoopers LLP, Chartered Professional Accountants, be reappointed as auditors of the Corporation. PricewaterhouseCoopers LLP has served as auditors of the Corporation since the Corporation's incorporation in May 2008 and as auditors of Aeroplan Income Fund, the predecessor of the Corporation, since its inception on May 12, 2005. The auditors appointed at the Meeting will serve until the end of the next annual meeting of Shareholders or until their successors are appointed.

Fees paid for the years ended December 31, 2019 and December 31, 2018 to PricewaterhouseCoopers LLP and its subsidiaries are \$2,314,007 and \$3,533,783, respectively, as detailed below:

	Year ended December 31, 2019	Year ended December 31, 2018
<b>Audit fees</b>	<b>\$1,598,453</b>	<b>\$2,507,545</b>
Audit-related fees	\$151,731	\$465,554
Tax fees	\$563,823	\$560,684
All other fees	\$0	\$0
<b>Total</b>	<b>\$2,314,007</b>	<b>\$3,533,783</b>

The nature of each category of fees is described below.

**Audit fees.** Audit fees include all fees incurred in respect of audit services, being professional services rendered for the annual audit and quarterly review of Aimia's financial statements and for services that are normally provided in connection with statutory and regulatory filings or engagements.

**Audit-related fees.** Audit-related fees include audit or attest services related to pension plan audits, non-statutory audit-related obligations, review of offering documents for the issuance of securities and the delivery of customary consent and comfort letters in connection therewith, due diligence and other related services.

**Tax fees.** Tax fees include fees incurred in connection with general tax and compliance advice, and for assistance in the preparation of Scientific Research & Experimental Development tax credit claims.

**All other fees.** All other fees refer to all fees not included in audit fees, audit-related fees and tax fees.

**The Board of Directors of the Corporation recommends that Shareholders vote FOR the appointment of PricewaterhouseCoopers LLP as auditors and the determination by the Directors of the Corporation of the auditors' remuneration.**

**If you do not specify how you want your Shares voted, the persons named as proxyholders will cast the votes represented by proxy at the Meeting FOR the appointment of PricewaterhouseCoopers LLP as auditors and the determination by the Directors of the Corporation of the auditors' remuneration.**

### **Amendment to the Articles to Change the Corporation's Registered Office**

The Articles currently provide that the province in which the registered office of the Corporation must be situated is Quebec. However, the Corporation has, in the past twelve (12) to twenty-four (24) months (including following its sale of Aeroplan Inc. (formerly Aimia Canada Inc.) to Air Canada in early 2019), become increasingly connected to the Province of Ontario, with the majority of its Canada-based employees working out of the Corporation's Toronto office, and the Canadian resident Directors all currently residing in Ontario. The Board has therefore determined that the Corporation has more corporate and business connecting factors to Ontario than to Quebec and that it is in the best interests of the Corporation to change its registered office to an address in Ontario.

At the Meeting, Shareholders will be asked to review and, if deemed advisable, to adopt the Change of Registered Office Resolution set out below authorizing the amendment to the Articles. In order to be adopted, the Change of Registered Office Resolution must be approved by a majority of not less than two-thirds (66⅔%) of the votes cast by the Shareholders.

**"BE IT RESOLVED**, as a special resolution of the Shareholders:

**THAT** the Corporation be, and it is hereby, authorized, in accordance with subsection 173(1) of the *Canada Business Corporations Act* (the "**CBCA**"), to amend its Articles to change the province in which the registered office of the Corporation is to be situated from Quebec to Ontario.

**THAT** the Directors of the Corporation may, pursuant to subsection 173(2) of the CBCA, revoke this special resolution before it is acted upon without further approval of the Shareholders.

**THAT** any director or officer of the Corporation be, and each of them is hereby, authorized and directed, for and on behalf of the Corporation, to do all acts and things, as such director or officer may determine necessary or advisable to give effect to this resolution."

**The Board of Directors of the Corporation recommends that Shareholders vote FOR the approval of the Change of Registered Office Resolution.**

**If you do not specify how you want your Shares voted, the persons named as proxyholders will cast the votes represented by proxy at the Meeting FOR the approval of the Change of Registered Office Resolution.**

### **Amendment to the Articles to Consolidate the Shares**

#### **Introduction**

The Corporation is asking Shareholders to authorize the Board of Directors to effect, at such time as the Board of Directors shall deem appropriate, but in any event no later than December 31, 2020, a share consolidation (the "**Share Consolidation**") (or reverse stock split) of the Shares at a Share Consolidation ratio to be determined by the Board of Directors but within the range of one post-consolidation Share for every three (3) to six (6) pre-consolidation Shares, subject to the Board of Directors' authority to decide not to proceed with the implementation of the Share Consolidation. The Board of Directors may, in its discretion, select any ratio for the Share Consolidation falling within the aforementioned range of ratios upon receipt of Shareholder approval and prior to the filing of articles of amendment to the Articles. Currently, the Board of Directors believes that an initial post-consolidation share price approximately in the range of \$6.00 to \$12.00 per Share would be an appropriate initial price level. However, the Board of Directors may, in its sole discretion, select a ratio from within the range set forth in the Share Consolidation Resolution that would be expected to result in an initial post-consolidation share price that is above or below this range. The actual timing for implementation, if any, of the Share Consolidation would be determined by the Board of Directors based upon its evaluation as to when such action would be most advantageous to the Corporation and the Shareholders. These determinations would be made by the Board of Directors based upon prevailing market conditions at that time.

The Board of Directors will retain the authority, notwithstanding approval of the Share Consolidation Resolution by the Shareholders, to determine in its discretion not to proceed with the Share Consolidation, without further approval or action by or prior notice to Shareholders. If the Share Consolidation is not implemented prior to December 31, 2020, the Shareholder approval granted in respect of the Share Consolidation will be deemed to have been revoked and the Board of Directors will be required to obtain new Shareholder approval if it wishes to implement a Share Consolidation.

The Board of Directors believes that the proposed range of Share Consolidation ratios (rather than a single ratio) will provide it with the flexibility to implement the Share Consolidation in a manner designed to maximize the anticipated benefits to the Corporation and because it is not possible to predict market conditions at the time the Share Consolidation would be implemented. In determining which precise Share Consolidation ratio within the aforementioned range of ratios to implement, if any, following the receipt of Shareholder approval, the Board of Directors may consider, among other things, factors such as:

- the historical trading prices and trading volume of the Shares;
- the then prevailing trading price and trading volume of the Shares and the anticipated impact of the Share Consolidation on the trading market(s) for the Shares;
- the outlook for the trading price of the Shares;
- threshold prices of brokerage houses, institutional investors, investment advisers and/or fund managers that could impact their ability to invest or recommend investments in the Shares;
- the number of Shares that may be issued pursuant to outstanding securities exercisable or exchangeable for, or convertible into, Shares; and
- prevailing general market and economic conditions.

At the close of business on March 27, 2020, the closing price of the Shares on the TSX was \$1.99 and there were 93,838,329 issued and outstanding Shares. Based on the number of Shares issued and outstanding on March 27, 2020, immediately following the completion of the Share Consolidation, for illustrative purposes only, (i) assuming a Share Consolidation ratio of 6-for-1, we would have approximately 15.6 million Shares issued and outstanding, (ii) assuming a Share Consolidation ratio of 5-for-1, we would have approximately 18.8 million Shares issued and outstanding, (iii) assuming a Share Consolidation ratio of 4-for-1, we would have approximately 23.5 million Shares issued and outstanding, and (iv) assuming a Share Consolidation ratio of 3-for-1, we would have approximately 31.3 million Shares issued and outstanding (in each case without giving effect to the treatment of fractional Shares). The Corporation does not expect the Share

Consolidation itself to have any economic effect on Shareholders or holders of other securities exercisable or exchangeable for, or convertible into, Shares, except to the extent the Share Consolidation will result in fractional Shares.

### ***Background and Reasons for the Share Consolidation***

The Board of Directors is seeking authority to implement the Share Consolidation for the following reasons:

- *Potential for Increased and More Attractive Share Price*

The Corporation believes that it is desirable for its Shares to trade at a higher price per Share. An increase in trading price of the Shares that may result from a share consolidation could heighten the interest of the financial community in the Corporation and potentially broaden the pool of investors that may consider investing or may be able to invest in the Corporation, potentially increasing the trading volume and liquidity of the Shares. The Share Consolidation could also help to attract institutional investors or fund managers who have internal policies that either prohibit them from purchasing stocks below a certain minimum price or tend to discourage individual brokers from recommending such stocks to their customers.

- *Reduced Shareholder Transaction Costs*

Many investors pay commissions based on the number of shares traded when they buy or sell stock. If the stock prices of the Shares were higher, these investors would pay lower commissions to trade a fixed dollar amount of the Shares, as the case may be, than they would if the stock prices were lower. In addition, current Shareholders who hold only a few Shares may not have an economic way to sell their Shares. To the extent these Shareholders are left with fractional Shares as a result of the Share Consolidation, they would receive cash for their Shares without incurring transaction costs.

- *Improved Trading Liquidity*

The combination of potentially lower transaction costs and increased interest from institutional investors and investment funds could ultimately improve the trading liquidity of the Shares.

### ***Effective Date of Share Consolidation***

If Shareholders approve the Share Consolidation, it is the intention of the Corporation to file articles of amendment giving effect thereto on the basis set out in the Share Consolidation Resolution, the full text of which is reproduced below. The effective date of the Share Consolidation will be the date of issuance of the Certificate of Amendment by the Director under the CBCA and such date is referred to as the "Share Consolidation Effective Date". On the Share Consolidation Effective Date, the Shares will be consolidated on the basis described above.

### ***Certain Risk Factors Associated with the Share Consolidation***

- Reducing the numbers of issued and outstanding Shares through the Share Consolidation is intended, absent other factors, to increase the per Share market price of the Shares; however, the market price of the Shares will also be based on the Corporation's financial and operational results, its available capital and liquidity resources, the state of the market for the Shares at the time, general economic, geopolitical, market and industry conditions, the market perception of the Corporation's business, strategy, future prospects and other factors and contingencies, which are unrelated to the number of Shares outstanding. As a result, there can be no assurance that the market price of the Shares will in fact increase following the Share Consolidation or will not decrease in the future. If the market price of the Shares is lower than it was before the Share Consolidation, the total market capitalization of the Shares after the Share Consolidation may be lower than before the Share Consolidation. In addition, in the future, the market price of the Shares following the Share Consolidation may not exceed or remain higher than the market price prior to the Share Consolidation.
- While the Board of Directors believes that a higher Share price could help to attract institutional investors or fund managers who have internal policies that either prohibit them from purchasing stocks below a certain minimum price or tend to discourage individual brokers from recommending such stocks to their customers, the Share Consolidation may not result in a per Share market price that will attract institutional investors or investment funds and such Share price may not satisfy the investing guidelines of institutional investors or investment funds. As a result, the trading liquidity of the Shares may not improve.
- The Share Consolidation may also result in some Shareholders owning "odd lots" of less than 100 Shares. Odd lots may be more difficult to sell, or require greater transaction costs per share to sell, than Shares in "board lots" of even multiples of 100 Shares.
- The Share Consolidation would also result in an increased voting power attached to all outstanding preferred shares and thus to a corresponding decrease in the voting power attached to the Shares in the event the Corporation were to have not declared and paid dividends thereon for eight or more quarters. See below under "*Effects of the Share Consolidation—Effect on Voting Power Attached to Preferred Shares in the Event of Protracted Dividend Defaults*".



## ***Effects of the Share Consolidation***

### ***General***

If the Share Consolidation is approved and implemented, the principal effect will be to proportionately decrease the number of issued Shares, based on the Share Consolidation ratio chosen by the Board of Directors. The Share Consolidation will not affect the listing of the Shares on the TSX. Following the Share Consolidation, except as described herein, the Shares will continue to be listed on the TSX under the symbol "AIM", although the post-consolidation Shares will be considered a substituted listing with new CUSIP and ISIN numbers.

Because the Share Consolidation would apply to all of the issued and outstanding Shares, the proportionate voting and equity interests in the Corporation and other rights, preferences, privileges or priorities of the holders of Shares will not be affected by the Share Consolidation, other than as a result of the treatment of fractional Shares as described below. For example, a holder of 2% of the voting power attached to all of the outstanding Shares immediately prior to the Share Consolidation Effective Date will generally continue to hold 2% of the voting power attached to all of the outstanding Shares immediately after the Share Consolidation Effective Date. The number of registered Shareholders will not be affected by the Share Consolidation (except to the extent any are cashed out as a result of holding fractional Shares).

No fractional Shares will be issued or delivered to registered Shareholders in connection with the Share Consolidation. If, as a result of the Share Consolidation, a Shareholder becomes entitled to a fractional Share, the number of new post-consolidation Shares, as the case may be, to which the registered shareholder is entitled, will be rounded down to the nearest whole number, and any and all fractional Shares to which registered Shareholders would otherwise be entitled as a result of the Share Consolidation shall be aggregated and sold by the Corporation's Transfer Agent and registrar on the market as described under "Payment for Fractional Shares" below.

If approved and implemented, the Share Consolidation may result in some Shareholders owning "odd lots" of fewer than 100 Shares. Odd lot Shares may be more difficult to sell, and brokerage commissions and other costs of transactions in odd lots may be higher than the costs of transactions in "round lots" of even multiples of 100 shares. The Board of Directors believes, however, that these potential effects are outweighed by the anticipated benefits of the Share Consolidation.

Beneficial Shareholders holding their Shares through a nominee should note that such nominee may have different procedures for processing the Share Consolidation than those that will be put in place for registered shareholders. If you hold your Shares with a nominee and if you have questions in this regard, you are encouraged to contact your nominee.

### ***Effect on Convertible Securities, Stock Options and Other Arrangements***

Subject to TSX approval, where required:

- the exercise or conversion price and/or the number of Shares issuable under any of the Corporation's outstanding stock options, share units, rights and any other similar securities, will be proportionately adjusted upon the implementation of the Share Consolidation based on the Share Consolidation ratio selected by the Board of Directors; and
- the number of Shares reserved for issuance under the Long-Term Incentive Plan ("**LTIP**") will be reduced proportionately based on the Share Consolidation ratio selected by the Board of Directors.

Shareholder approval is not required in order for the Board of Directors to make the necessary adjustments mentioned above in order to give effect to the Share Consolidation.

### ***Effect on Voting Power Attached to Preferred Shares in the Event of Protracted Dividend Defaults***

The Corporation's Articles authorize the issuance of "blank cheque" preferred shares, and the Corporation currently has four series of authorized preferred shares, namely cumulative rate reset preferred shares, Series 1 (the "**Series 1 Preferred Shares**"), cumulative floating rate preferred shares, Series 2 (the "**Series 2 Preferred Shares**"), cumulative rate reset preferred shares, Series 3 (the "**Series 3 Preferred Shares**") and cumulative floating rate preferred shares, Series 4 (the "**Series 4 Preferred Shares**" and, together with the Series 1 Preferred Shares, the Series 2 Preferred Shares, the Series 3 Preferred Shares, the "**Preferred Shares**"). As of March 27, 2020, there were 2,921,275 Series 1 Preferred Shares, 2,161,865 Series 2 Preferred Shares, 4,355,263 Series 3 Preferred Shares and no Series 4 Preferred Shares issued and outstanding, for a total of 9,438,403 issued and outstanding Preferred Shares.

The rights, privileges, restrictions and conditions attaching to the Preferred Shares provide that, in the event the Corporation has not paid the dividends accrued and payable for any eight quarters, whether or not consecutive and whether or not such dividends have been declared, on the then outstanding Preferred Shares, at the applicable dividend rates for such shares, the holders of Preferred Shares of the relevant series will be entitled to receive notice of and to attend meetings of Shareholders, other than meetings at which only holders of another specified class or series are entitled to vote, and to vote together with all other Shareholders entitled to vote at such meetings on the basis of one vote for each Preferred Share held.

Prior to giving effect to the Share Consolidation and based on the number of currently issued and outstanding Shares and Preferred Shares, in the event the holders of such Preferred Shares were to acquire voting rights in the above described protracted dividend default scenario, the holders of all outstanding Preferred Shares would have, in the aggregate, approximately 9.14% of all outstanding voting rights. However, in the event the Share Consolidation is approved and subsequently implemented within the range of 3-to-1 and 6-to-1, and because approval is not being sought to amend the Articles that would affect the voting rights or power attaching to the Preferred

Shares in connection with the Share Consolidation, the voting power attached to all outstanding Preferred Shares would, on a *pro forma* basis, increase to approximately 23.18% if the Share Consolidation were to be effected on a 3-to-1 basis and to approximately 37.64% if the Share Consolidation were to be effected on a 6-to-1 basis. Consequently, the Share Consolidation would increase the voting power attached to the Preferred Shares and decrease the voting power attached to the Shares in the event the Corporation were to fail to declare and/or pay dividends on the then outstanding Preferred Shares for eight or more quarters.

### ***Mechanics of The Share Consolidation***

#### ***Book-Entry Shares (Registered Or Beneficial)***

If the Share Consolidation is effected, Shareholders who hold uncertificated Shares (i.e., Shares held in book-entry form and not represented by a physical share certificate), either as registered holders or beneficial owners, will have their existing book-entry account(s) electronically adjusted by the Corporation's Transfer Agent or, for beneficial owners, by their brokerage firms, banks, trusts or other nominees that hold in "street name" for their benefit, as the case may be, to give effect to the Share Consolidation. Such Shareholders do not need to take any additional actions to exchange their pre-consolidation book-entry Shares, if any, for post-consolidation Shares.

#### ***Non-Registered Shareholders***

Non-registered Shareholders holding their Shares, as the case may be, through a bank, broker or other nominee should note that such banks, brokers or other nominees may have different procedures for processing the Share Consolidation than those that will be put in place by the Corporation for registered Shareholders, and their procedures may result, for example, in differences in the precise cash amounts being paid by such nominees in lieu of fractional Share interests. If you hold your Shares with such a bank, broker or other nominee and if you have questions in this regard, you are encouraged to contact your nominee.

If you are an employee of Aimia and you own Shares under the Employee Share Purchase Plan, your shares are registered in the name of Computershare Trust Company of Canada, the administrator of the Employee Share Purchase Plan, until such time as the Shares are withdrawn from the Employee Share Purchase Plan pursuant to its terms and conditions, and you do not need to take any action to exchange such pre-consolidation Shares for post-consolidation Shares.

#### ***Registered Shareholders Holding Share Certificates — Exchange Of Share Certificates***

If the Share Consolidation is approved by Shareholders and subsequently implemented, those registered Shareholders who will hold at least one (1) post-consolidation Share will be required to exchange their Share certificates representing their old Shares for new certificates representing the new post-consolidation Shares.

In the event the Share Consolidation is approved and implemented, the Corporation (or its Transfer Agent) will mail to each registered Shareholder a letter of transmittal addressed to the Corporation and its Transfer Agent, which each registered Shareholder will need to sign and complete following the Corporation's announcement of the Share Consolidation Effective Date. The letter of transmittal will contain instructions on how to surrender to the Transfer Agent the certificate(s) representing the registered Shareholder's Shares, as the case may be.

The Transfer Agent will send to each registered Shareholder who has sent the required documents, including their Share certificates representing their old Shares, new share certificate(s) representing the number of new post-consolidation Shares to which the registered Shareholder is entitled, rounded down to the nearest whole number. Until surrendered to the Transfer Agent, each share certificate representing pre-consolidation Shares will be deemed cancelled and, for all purposes, will be deemed to represent, respectively, only the number of post-consolidation Shares, as the case may be, and the right to receive the amount of cash for any fractional Shares to which the registered Shareholder is entitled as a result of the Share Consolidation, if any.

Until surrendered as contemplated herein, a registered Shareholder's old share certificate(s) shall be deemed as of and after the Share Consolidation Effective Date to represent the number of full Shares, as the case may be, resulting from the Share Consolidation, if any. However, until registered Shareholders have returned their properly completed and duly executed letter of transmittal and surrendered their old share certificate(s) for exchange, registered Shareholders will not be entitled to receive any dividends or other distributions, if any, that may be declared and payable to holders of record following the Share Consolidation.

The use of the mail to transmit certificates representing pre-consolidation Shares, as the case may be, is at each Shareholder's option and risk and neither the Corporation nor its Transfer Agent will have any liability in respect of share certificates and/or letters of transmittal which are not actually received by the transfer agent. The Corporation recommends that such certificates and documents be delivered by hand to the Transfer Agent and a receipt therefor be obtained or, if mailed, that registered mail with return receipt be used and that appropriate insurance be obtained.

All questions as to form, validity and acceptance of any pre-consolidation Shares deposited pursuant to the Share Consolidation will be determined by the Corporation in its sole discretion. Shareholders depositing Shares agree that such determination shall be final and binding. The Corporation reserves the absolute right to reject any and all deposits which the Corporation determines not to be in proper form or right to waive any defect or irregularity in the deposit of any pre-consolidation Shares, as the case may be. There shall be no duty or obligation on the Corporation, the Transfer Agent or any other person to give notice of any defect or irregularity in any deposit of Shares, as the case may be, and no liability shall be incurred by any of them for failure to give such notice. The Corporation reserves the



right to permit the procedure for the exchange of Shares pursuant to the Share Consolidation to be completed other than that as set out above.

Any registered Shareholder whose old certificate(s) have been lost, destroyed or stolen will be entitled to a replacement share certificate only after complying with the requirements that the Corporation and the Transfer Agent customarily apply in connection with lost, destroyed or stolen certificates.

Registered Shareholders should neither destroy nor submit any share certificate(s) until requested to do so.

#### *Payment for Fractional Shares*

No certificates representing fractional Shares will be issued or delivered if, as a result of the Share Consolidation, a registered Shareholder would otherwise become entitled to a fractional Share. Any and all such fractional Shares will be aggregated and sold by the Corporation's Transfer Agent and registrar on the market, with the proceeds therefrom, net of brokerage commissions and expenses, being proportionately distributed to registered Shareholders (without interest) in lieu of such fractional Shares. After the Share Consolidation, then current registered Shareholders will have no further interest in the Corporation with respect to their fractional Shares and such Shareholders will not have any voting, dividend or other rights in respect of such fractional Shares other than the right to receive payment therefor as described herein. The elimination of fractional interests will reduce the number of post-consolidation registered Shareholders to the extent that there are registered Shareholders holding Shares that are not in a multiple of three, if, for illustrative purposes only, the Share Consolidation ratio is 3-for-1. This is not, however, the purpose for which the Corporation is proposing to effect the Share Consolidation.

#### *No Dissent Rights*

Under the CBCA, Shareholders do not have dissent rights with respect to the proposed Share Consolidation.

#### *Accounting Consequences*

Following the Share Consolidation, earnings (loss) per Share, and other per Share amounts, will be increased in absolute terms because there will be fewer Shares issued and outstanding. In future financial statements, earnings (loss) per Share and other per Share amounts for periods ending before the Share Consolidation Effective Date would be recast to give retroactive effect to the Share Consolidation.

#### ***Certain Tax Consequences of the Share Consolidation***

##### *Certain Canadian Federal Income Tax Consequences of the Share Consolidation*

The following summary describes the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) (the "**Tax Act**") generally applicable to a Shareholder whose Shares are consolidated pursuant to the Share Consolidation and who, for purposes of the Tax Act and any applicable income tax treaty or convention, and at all relevant times, is a resident of Canada, holds its Shares as capital property and deals at arm's length and is not affiliated with the Corporation (a "**Canadian Holder**").

This summary is not applicable to: (i) a Canadian Holder that is a "financial institution" as defined in Tax Act for the purposes of the mark-to-market rules; (ii) a Canadian Holder of an interest which would be a "tax shelter investment" as defined in the Tax Act; (iii) a Canadian Holder that is a "specified financial institution" as defined in the Tax Act; (iv) a Canadian Holder that has entered into a "derivative forward agreement" as defined in the Tax Act in respect of the Shares; (v) a Canadian Holder that is a corporation that has elected in the prescribed form and manner and has otherwise met the requirements to use functional currency tax reporting as set out in the Tax Act; or (vi) a Canadian Holder that is exempt from income tax under the Tax Act. Any such Canadian Holder to which this summary does not apply should consult its own tax advisor.

This summary is based on the current provisions of the Tax Act, the regulations thereunder (the "Regulations"), and Canadian counsel's understanding of the current published administrative and assessing policies and practices of the Canada Revenue Agency and takes into account all specific proposals to amend the Tax Act and the Regulations that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**"), and assumes that all such Tax Proposals will be enacted in the form proposed. No assurance can be given that the Tax Proposals will be enacted in the form proposed or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative practices, whether by judicial, governmental, administrative or legislative action or interpretation, nor does it take into account provincial, territorial or foreign income tax legislation or considerations.

THIS SUMMARY IS OF A GENERAL NATURE ONLY AND IS NOT INTENDED TO BE, AND SHOULD NOT BE CONSTRUED TO BE, LEGAL OR TAX ADVICE TO ANY PARTICULAR HOLDER. SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES IN THEIR PARTICULAR CIRCUMSTANCES.

A Canadian Holder will not realize a capital gain or a capital loss as a result of the Share Consolidation, other than with respect to the sale of a fractional share as discussed below. Immediately after the Share Consolidation but before the sale of any fractional share as described under "Payment for Fractional Shares", the aggregate adjusted cost base to a Canadian Holder of all its shares (including any fractional share issued as a result of the Share Consolidation) will be the same as it was immediately before the Share Consolidation.

A Canadian Holder on whose behalf a fractional share will be sold following the Share Consolidation as described under “Payment for Fractional Shares” will be considered to have disposed of such fractional share at the time of such sale and will realize a capital gain (or a capital loss) to the extent that the cash received for the fractional share, net of reasonable costs of disposition, exceeds (or is less than) the adjusted cost base of such fractional share to the Canadian Holder. Generally, one-half of a capital gain (a taxable capital gain) will be included in the Canadian Holder’s income, and one-half of a capital loss (an allowable capital loss) must be deducted against taxable capital gains realized by such Canadian Holder in the same taxation year. Any excess of allowable capital losses over taxable capital gains, for the taxation year in which the disposition occurs, may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year and applied against net taxable capital gains realized in such years in accordance with the detailed rules contained in the Tax Act. Capital gains realized by an individual, including most trusts, may give rise to liability for alternative minimum tax.

A Canadian Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay an additional tax (refundable in certain circumstances) on its “aggregate investment income,” which generally includes taxable capital gains.

#### *Certain United States Federal Income Tax Consequences Of The Share Consolidation*

The following discussion is a general summary of certain U.S. federal income tax consequences of the Share Consolidation that may be relevant to Shareholders that hold Shares as a capital asset within the meaning of Section 1221 of the Internal Revenue Code, as amended (the “IRC”). This summary is based upon the provisions of the IRC, Treasury regulations promulgated thereunder, administrative rulings and judicial decisions as of the date hereof, all of which may change, possibly with retroactive effect, resulting in U.S. federal income tax consequences that may differ from those discussed below. This discussion does not address all aspects of federal income taxation that may be relevant to such holders in light of their particular circumstances or to holders that may be subject to special tax rules, including, without limitation: (i) banks, insurance companies, or other financial institutions; (ii) tax-exempt organizations; (iii) retirement plans, individual plans, individual retirement accounts and tax-deferred accounts; (iv) dealers in securities, currency or commodities; (v) regulated investment companies or real estate investment trusts and shareholders of such corporations; (vi) partnerships (or other flow-through entities for U.S. federal income tax purposes) and their partners or members; (vii) traders in securities; (viii) U.S. Holders (as defined below) whose “functional currency” is not the U.S. dollar; (ix) persons holding Shares as a position in a hedging transaction, “straddle,” “conversion transaction,” “constructive sale,” “wash sale,” “synthetic security” or other integrated or risk reduction transaction; (x) persons who acquire Shares in connection with employment or other performance of services; (xi) U.S. expatriates; and (xii) Non-U.S. Holders (as defined below) that are controlled foreign corporations or passive foreign investment companies. In addition, this summary does not address the tax consequences arising under the laws of any foreign, state or local jurisdiction and U.S. federal tax consequences other than federal income taxation. This summary also does not address the 3.8% Medicare tax imposed on certain income.

If a partnership (including any entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds Shares, the tax treatment of a Shareholder that is a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership.

EACH SHAREHOLDER SHOULD CONSULT ITS TAX ADVISOR WITH RESPECT TO THE PARTICULAR TAX CONSEQUENCES OF THE SHARE CONSOLIDATION TO SUCH SHAREHOLDER.

For purposes of the discussion below, a “U.S. Holder” is a beneficial owner (other than a partnership) of shares that for U.S. federal income tax purposes is: (1) an individual citizen or resident of the United States, including an alien individual who is a permanent resident in the U.S. or who meets the “substantial presence” test under section 7701(b) of the IRC; (2) a corporation (including any entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia; (3) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (4) a trust, the administration of which is subject to the primary supervision of a U.S. court and as to which one or more U.S. persons have the authority to control all substantial decisions of the trust, or that has a valid election in effect to be treated as a U.S. person. A “Non-U.S. Holder” is a beneficial owner of shares that is an individual, corporation, estate or trust that is not a U.S. Holder.

#### *U.S. Holders*

The Share Consolidation should constitute a “recapitalization” for U.S. federal income tax purposes. As a result, a U.S. Holder generally should not recognize gain or loss upon the Share Consolidation, except with respect to cash received in lieu of a fractional Share, as discussed below. A U.S. Holder’s aggregate tax basis in the Shares received pursuant to the Share Consolidation should equal the aggregate tax basis of the Shares surrendered (excluding any portion of such basis that is allocated to any fractional Share), and such U.S. Holder’s holding period (i.e. acquired date) in the Shares received should include the holding period in the Shares surrendered. Holders of the Shares acquired on different dates and at different prices should consult their tax advisors regarding the allocation of the tax basis and holding period of such Shares. A U.S. Holder that receives cash in lieu of a fractional Share pursuant to the Share Consolidation should recognize capital gain or loss in an amount equal to the difference between the amount of cash received and the U.S. Holder’s tax basis in the Shares surrendered that is allocated to such fractional Share. Such capital gain or loss should be long term capital gain or loss if the U.S. Holder’s holding period for the Shares surrendered exceeded one year at the Share Consolidation effective time.

*Information Reporting and Backup Withholding.* Information returns generally will be required to be filed with the Internal Revenue Service (the “IRS”) with respect to the receipt of cash in lieu of a fractional Share pursuant to the Share Consolidation in the case of certain U.S.

Holders. In addition, a U.S. Holder may be subject to a backup withholding tax on the payment of such cash if the U.S. Holder is not otherwise exempt and it: (i) fails to furnish a Taxpayer Identification Number (“**TIN**”) for use in reporting information to the IRS; (ii) furnishes an incorrect TIN; (iii) is notified by the IRS that it has failed to report properly payment of interest or dividends; or (iv) fails to certify, under penalties of perjury, that it has furnished the correct TIN, that it is a U.S. person and that it is not subject to backup withholding. Under current law, the backup withholding rate is 24%. Backup withholding is not an additional tax. Any amounts withheld from a U.S. Holder under the backup withholding rules may be refunded or allowed as a credit against the U.S. Holder’s federal income tax liability, if any, provided the required information is timely furnished to the IRS.

#### *Non-U.S. Holders*

Non-U.S. Holders that exchange Shares pursuant to the Share Consolidation generally should be subject to tax in the manner described above under “U.S. Holders,” except that any capital gain realized by a Non-U.S. Holder as a result of receiving cash in lieu of a fractional Share generally should not be subject to U.S. federal income or withholding tax unless the gain is effectively connected with the Non-U.S. Holder’s conduct of a trade or business in the U.S. (and, if certain income tax treaties apply, is attributable to a Non-U.S. Holder’s permanent establishment in the U.S.). Non-U.S. Holders subject to U.S. federal income tax with respect to gain recognized as a result of receiving cash in lieu of a fractional Share generally will be taxed on such gain in the same manner as if they were U.S. Holders although, under certain circumstances, foreign corporations may be subject to an additional branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

*Information Reporting and Backup Withholding.* In general, backup withholding and information reporting will not apply to payment of cash in lieu of a fractional Share to a Non-U.S. Holder pursuant to the Share Consolidation if the Non-U.S. Holder certifies in the manner required that it is a Non-U.S. Holder and neither the Corporation nor its Transfer Agent has actual knowledge to the contrary. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be refunded or allowed as a credit against the Non-U.S. Holder’s U.S. federal income tax liability, if any, provided that certain required information is timely furnished to the IRS. In certain circumstances, the amount of cash paid to a Non-U.S. Holder in lieu of a Share and certain other information may be reported to the IRS.

#### **Share Consolidation Resolution**

At the Meeting, Shareholders will be asked to review and, if deemed advisable, to adopt the Share Consolidation Resolution set out below authorizing the amendment to the Articles. In order to be adopted, the Share Consolidation Resolution must be approved by a majority of not less than two-thirds (66⅔%) of the votes cast by the holders of the Shares.

**“BE IT RESOLVED**, as a special resolution of the Shareholders:

**THAT** the Corporation be, and it is hereby, authorized, in accordance with subsection 173(1) of the CBCA, to amend its Articles to change the number of issued Shares by consolidating the issued Shares of the Corporation on the basis of no more than (A) one (1) new post-consolidation Share for every six (6) pre-consolidation Shares, and no less than (B) one (1) new post-consolidation Share for every three (3) pre-consolidation Shares, and in the event that the Share Consolidation would otherwise result in a Shareholder holding a fraction of a Share, such Shareholder shall not receive any whole new Share for each such fraction, and any and all fractional Shares to which Shareholders would otherwise be entitled as a result of the Share Consolidation shall be aggregated and sold by the Corporation’s Transfer Agent and registrar on the market, with the proceeds therefrom, net of brokerage commissions and expenses, being proportionately distributed (without interest) to registered Shareholders, such amendment to become effective at a date in the future to be determined by the Board of Directors when the Board of Directors considers it to be in the best interests of the Corporation to implement such a Share Consolidation, but in any event not later than December 31, 2020, subject to approval of the Toronto Stock Exchange.

**THAT** the Directors of the Corporation may, pursuant to subsection 173(2) of the CBCA, revoke this special resolution before it is acted upon without further approval of the Shareholders.

**THAT** any director or officer of the Corporation be, and each of them is hereby, authorized and directed, for and on behalf of the Corporation, to do all acts and things, as such director or officer may determine necessary or advisable to give effect to this resolution.”

**The Board of Directors of the Corporation recommends that Shareholders vote FOR the approval of the Share Consolidation Resolution.**

**If you do not specify how you want your Shares voted, the persons named as proxyholders will cast the votes represented by proxy at the Meeting FOR the approval of the Share Consolidation Resolution.”**

#### **Advisory Vote on Executive Compensation**

The Corporation’s executive compensation policies and programs are based on the fundamental principle of pay-for-performance to align the interests of the senior executive team with those of the Shareholders. This compensation approach allows the Corporation to attract and retain high-performing executives who will be strongly incented to create value for the Corporation on a sustainable basis.

The Corporation is committed to providing Shareholders with clear, comprehensive and transparent disclosure of executive compensation and to receive feedback from Shareholders on this matter. Since 2011, Shareholders have had an opportunity to vote on our approach to executive compensation. This was an advisory and non-binding vote, and at the last annual meeting, 84.09% of our Shareholders who cast a vote voted for our approach to executive compensation. Shareholders will again be asked to vote, on an advisory basis, on our approach to executive compensation at the Meeting.

The resolution Shareholders will be asked to approve is similar to the form of resolution recommended by the Canadian Coalition for Good Governance. Please carefully review the section "Compensation Discussion and Analysis" starting on page 31 of this Information Circular before voting on this matter. As this is an advisory vote, the results will not be binding upon the Board of Directors. However, in considering its approach to executive compensation over the upcoming years, the Board of Directors will take into account the results of the vote on such resolution, together with any comments and concerns received from Shareholders.

At the Meeting, Shareholders will be asked to approve the following resolution:

**"BE IT RESOLVED**, on an advisory basis and not to diminish the role and responsibilities of the Board of Directors:

**THAT** the Shareholders accept the approach to executive compensation disclosed in the Corporation's Information Circular dated March 27, 2020."

**The Board of Directors of the Corporation recommends that Shareholders vote FOR the approval of the Say-on-Pay Advisory Resolution.**

**If you do not specify how you want your Shares voted, the persons named as proxyholders will cast the votes represented by proxy at the Meeting FOR the approval of the Say-on-Pay Advisory Resolution.**

### **Consideration of Other Business**

We will:

- Report on other items that are significant to our business; and
- Invite questions and comments from Shareholders.

## THE NOMINATED DIRECTORS

The constating documents of the Corporation provide for the Board of Directors to consist of a minimum of three (3) and a maximum of twelve (12) Directors. There are presently eight (8) Directors, and the Board of Directors has currently fixed at seven (7) the number of Directors following the Meeting.

On November 15, 2019 Aimia, Mittleman Investment Management LLC and its parent Mittleman Brothers LLC (collectively, “**Mittleman**”) and Charles Frischer (who, together with certain other shareholders, had previously requisitioned a special meeting of shareholders) (the “**Requisitioning Shareholder**”, and collectively with Aimia and Mittleman, the “**Settlement Agreement Parties**”) entered into a settlement agreement (the “**Settlement Agreement**”), pursuant to which Aimia and Mittleman agreed to fully and finally settle various legal proceedings between them, and the Settlement Agreement Parties agreed on a governance process for reconstituting the Board. The Directors of the reconstituted Board were selected as follows: (i) two (2) nominees (the “**Independent Nominees**”) were unanimously selected and nominated for election as Directors by an ad hoc nominating committee (the “**Ad Hoc Nominating Committee**”) composed of then-sitting directors Thomas D. Gardner, Linda Kuga Pikulin, Frederick Mifflin and Philip Mittleman, co-chaired by Thomas D. Gardner and Frederick Mifflin, (ii) three (3) nominees were proposed by Mittleman (which included Messrs. Mittleman and Frischer) (the “**Mittleman Nominees**”) and unanimously recommended and nominated for election as directors by the Ad Hoc Nominating Committee, and (iii) two (2) nominees proposed by the Requisitioning Shareholder (the “**Requisitioning Shareholder's Nominees**”) were unanimously recommended and nominated for election as directors by the Ad Hoc Nominating Committee.

As a result of the Board reconstitution process, on February 24, 2020, Thomas D. Gardner, Dieter Jentsch, Robert Kreidler, William McEwan, Frederick Mifflin and Linda Kuga Pikulin sequentially resigned as directors, and each of the Independent Nominees, the Mittleman Nominees and the Requisitioning Shareholder's Nominees was nominated and appointed to the Board to fill the vacancies created by the departing directors. Karen Basian and Sandra Hanington were nominated as the Independent Nominees and appointed to the Board, in addition to Mr. Mittleman who remained on the Board, Charles Frischer and Jordan G. Teramo were nominated as the other Mittleman Nominees and appointed to the Board, and David Rosenkrantz and Michael Lehmann were nominated as the Requisitioning Shareholder's Nominees and appointed to the Board.

In accordance with the Settlement Agreement, each Director newly appointed following the Board reconstitution is being nominated at the Meeting, in addition to current Director Philip Mittleman and, also as contemplated by the Settlement Agreement, the Chief Executive Officer (“**CEO**”) of the Corporation is not being proposed for election as a Director at the Meeting. Under the terms of the Settlement Agreement, each of Mittleman and Charles Frischer has agreed to vote all Shares owned or controlled by them and their affiliates and associates in favour of the election of the Independent Nominees, the Mittleman Nominees (including Philip Mittleman) and the Requisitioning Shareholder's Nominees for election as directors at the Meeting.

Under the terms of the Settlement Agreement, each of Mittleman and Charles Frischer has also agreed that, until December 31, 2020, it shall not, either directly or indirectly, individually or jointly with another person, take certain actions related to Aimia, including actions related to: (i) engaging in, participating in, or in any way initiating, any “solicitation” of proxies, agreements or consents, with respect to any securities of the Corporation; (ii) taking action in any other manner in order to vote, advise or influence in any manner whatsoever any person, with respect to any securities of the Corporation; (iii) depositing any securities of the Corporation in any voting trust or subject any securities of the Corporation to any arrangement or agreement with respect to the voting of any such securities; (iv) seeking, alone or in concert with others to, (A) requisition or call a meeting of security holders of the Corporation, (B) except as provided in the Settlement Agreement, obtaining representation on, or nominating or proposing the nomination of any candidate for election to the Board, or (C) except as provided in the Settlement Agreement, effecting the removal of any member of the Board or otherwise altering the composition of the Board; (v) submitting, or inducing any person to submit, any shareholder proposal pursuant to the CBCA; (vi) making or inducing any person to make, a take-over bid as defined under applicable securities laws or other merger, going private transaction or sale of assets; (vii) commencing, encouraging or supporting any derivative action in the name of the Corporation, or any class action against the Corporation or any of its current and/or former officers or directors; (viii) engaging in any short sale or similar transaction that derives value from a decline in the Corporation's share price, except for normal course hedging activities; (ix) making any public or private disclosure of any consideration, intention, plan or arrangement inconsistent with any of the foregoing, except as required by law; or (x) entering into any discussions, agreements or understandings with any person with respect to the foregoing, or advising, assisting, supporting or encouraging any person to take an action inconsistent with the foregoing.

The proposed Board of Directors for election at the Meeting consists of seven (7) nominees, each of whom is independent. Please refer to the section titled “Statement of Governance Practices – Board of Directors – Independence” on page 59 of this Information Circular for a discussion on Director independence.

Directors are elected annually. The seven (7) nominees whose names are set forth below are currently members of the Board of Directors, and have been so since the applicable dates indicated. Management does not contemplate that any of the nominees will be unable to serve as a Director but, if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion. Each Director elected will hold office until the end of the next annual Shareholders' meeting or until his or her successor is elected or appointed, unless his or her office is vacated earlier.

Please see “The Nominated Directors – Expectations for Individual Directors, Succession Planning and Skills Matrix” on page 25 and “The Nominated Directors – Diversity Policy” on page 26 for a description of expectations for individual Directors as well as details relating to Aimia's Diversity Policy for its Board of Directors and Executive Officers.



## Board Nominees


The following summary sets forth, for each person proposed to be nominated for election as a Director, the following information:

- name;
- age;
- place of residence;
- independence from, or relationship with, the Corporation;
- date since which the nominee has been a Director of the Corporation;
- whether the nominee meets, as at March 27, 2020, the Shareholding Guidelines for Directors described under “Compensation Discussion and Analysis – Compensation of Directors – Director Share Ownership Requirements” starting on page 56;
- principal occupation (including office with the Corporation or any of its significant affiliates);
- biography;
- areas of expertise;
- memberships on the Corporation’s committees, including the Audit Committee, the Governance and Nominating Committee or the Human Resources and Compensation Committee (collectively, the “Committees”), if applicable;
- memberships on boards of other public companies during the last five (5) years, if applicable;
- number of Board of Directors and Committee meetings attended in 2019;
- total at-risk value of Shares and DSUs as at March 27, 2020 and May 24, 2019, and the corresponding multiple in relation to the annual Board retainer of \$65,000 (\$160,000 for the Chairman of the Board);
- total Aimia Board compensation received for each of the past two (2) years; and
- the voting results from the last annual general meeting of Shareholders held on June 28, 2019.

Information relating to aggregate shareholdings as at March 27, 2020, including Shares, deferred share units (“DSUs”) and net change of each Director is set forth in the section “The Nominated Directors – Shareholdings of Nominated Directors” on page 24.

The following summary also sets forth, for each nominee proposed for election as a Director, whether, to the knowledge of the Corporation, such nominee, while acting in certain capacities or personally, was involved in certain proceedings, was subject to certain penalties or sanctions, or became bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency.

Certain information set out below with respect to Director nominees is not within the knowledge of the Corporation and was provided by the respective Director nominees individually.



Age: 57

Toronto, Ontario, Canada

Independent Director since: February 24, 2020

Karen Basian

Ms. Basian has over 25 years of experience in the consumer products and services, financial services, travel and technology sectors. Ms. Basian is currently President of KB Capital Management Inc. (a strategy and advisory services firm) and a partner with 3NP Realty Inc. (a real estate company). She serves on the Board of Directors of goeasy Ltd. (TSX:GSY), where she chairs the Human Resources and Compensation Committee;

The Flowr Corporation (TSX-V:FLWR), where she serves as Board and Audit Committee Chair; BookJane Inc. (on-demand healthcare staffing), where she Chairs the Audit Committee; Kognitiv Inc. (new technology and business model for turning spare capacity into Loyalty Capital); and she was Managing Director of Newtopia Inc., an innovative personalized health company. Previously, Ms. Basian was Chief Global Strategy and Business Development Officer for McCain Foods Ltd. An innovative thinker with deep financial acumen and diverse governance experience, Karen was recognized, in 2000 as one of Canada’s “Top 40 Under 40” for her work as the CFO & SVP, Corporate Services for 724 Solutions (NASDAQ/TSX). Prior roles include SVP Strategy for Frito-Lay North America; Manager with Bain and Company; and International Tax Specialist with Deloitte. Ms. Basian’s community and philanthropic efforts include her advisory work with Baycrest, UHN, Robarts Research Institute and FINCA Canada; and the founding of the Jewish Women’s Venture Philanthropy Fund. Ms. Basian is a CPA,CA; an MBA from IMEDE, Lausanne, Switzerland and Honors Business Administration from the University of Western Ontario.

Areas of Expertise: Capital Markets and M&A; Compensation and Talent Management; Corporate Governance; Executive Leadership; Financial Literacy; Investment Analysis, Integration and Oversight; Loyalty Marketing/ Analytics

Membership – Aimia Standing Committees: Human Resources and Compensation Committee (Chair)

Meetings Attended in 2019	#	%
Board of Directors	N/A	N/A

Securities Held			Voting Results		
Value at Risk (\$) <sup>(1)</sup>	Multiple of Annual Retainer	Meets Minimum Shareholding Requirement <sup>(2)</sup>	Year	Votes For	
March 27, 2020	199,989	3.1x	In process	2019	N/A

OTHER PUBLIC BOARDS DURING PAST 5 YEARS

goeasy Ltd.	November 2014 – Present
The Flowr Corporation	December 2018 – Present

Value of Total Aimia Board Compensation Received (\$)	
2019	N/A
2018	N/A



#### Charles Frischer

Mr. Frischer is the general partner of LFF Partners, a family office based in Seattle focused on generating market beating risk-adjusted returns over a 3-5 year period. Mr. Frischer is also Chairman of the Board of the Corporation. From 2005 until 2008, Mr. Frischer was a Principal at Zephyr Management, L.P., a New York based private equity firm, where he was responsible for overseeing a 5,000 unit multi-family apartment portfolio, including new acquisitions, financing, asset management and dispositions, placing over US\$210 million in financing for the fund and overseeing the acquisition of US\$75 million in new assets. From 1995 to 2005, Mr. Frischer was employed by Capri Capital, rising to Senior Vice President, where he was responsible for financing more than US\$800 million multi-family and commercial loans. Mr. Frischer was also an Asset Specialist for the Resolution Trust Corporation (1990 to 1993) and was co-manager of the US\$1 billion tax-exempt bond sales initiative and the lead manager for the RTC National Environmental property sale. Mr. Frischer graduated from Cornell University in 1988 with an A.B. in Government from the College of Arts and Sciences. Mr. Frischer's prior public company board experience includes being a board member of Imageware Systems (OTC: IWSY) from September 2017 until May of 2019.

Age: 53

Seattle,  
Washington, United  
States

**Independent  
Director since:**  
February 24, 2020

**Areas of Expertise:** Capital Markets and M&A; Corporate Governance; Financial Literacy; Investment Analysis, Integration and Oversight

**Membership – Aimia Standing Committees:** Governance and Nominating Committee, Human Resources and Compensation Committee

Meetings Attended in 2019	#	%
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Board of Directors	N/A	NA
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	Securities Held			Voting Results	
	Value at Risk (\$) <sup>(1)</sup>	Multiple of Annual Retainer	Meets Minimum Shareholding Requirement <sup>(2)</sup>	Year	Votes For
March 27, 2020	4,950,000	105.5x	Yes	2019	N/A
<b>OTHER PUBLIC BOARDS DURING PAST 5 YEARS</b>				<b>Value of Total Aimia Board Compensation Received (\$)</b>	
Imageware Systems	September 2017 – May 2019			2019	N/A
				2018	N/A



#### Sandra Hanington

Sandra Hanington is the former President & Chief Executive Officer of the Royal Canadian Mint, a \$1.4 billion global manufacturing and marketing business, where she led a multi-year strategic and operational turnaround. Prior to that, she had deep experience in the financial services sector and served in a number of progressively senior roles in Canada and the U.S., culminating as Executive Vice-President and member of the Management Committee of BMO Financial Group. She currently serves as a director for Extencare, Inc. (TSX: EXE) which provides care to seniors across Canada in long term care homes, retirement homes or through quality home care. She previously served on the boards of Canada Mortgage and Housing Corporation, and Symcor, Inc. Ms. Hanington is co-founder and has served as a director of Jack.org, a Canadian youth mental health charity since 2010 and is the recipient of the Meritorious Service Cross from the office of the Governor General for her work with the organization. Ms. Hanington was named by the Women's Executive Network (WXN)<sup>TM</sup> as one of Canada's Top 100 Most Powerful Women three times in a row, from 2007 to 2009 and was inducted into the WXN Hall of Fame in 2010. Ms. Hanington is a licensed professional engineer with a BSc from the University of Waterloo, an MBA from the Rotman School of Management, University of Toronto, and holds the ICD.D designation.

Age: 58

Toronto, Ontario,  
Canada

**Independent  
Director since:**  
February 24, 2020

**Areas of Expertise:** Compensation and Talent Management; Corporate Governance; Executive Leadership; Financial Literacy; Loyalty Marketing/ Analytics

**Membership – Aimia Standing Committees:** Governance and Nominating Committee (Chair)

Meetings Attended in 2019	#	%
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Board of Directors	N/A	N/A
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	Securities Held			Voting Results	
	Value at Risk (\$) <sup>(1)</sup>	Multiple of Annual Retainer	Meets Minimum Shareholding Requirement <sup>(2)</sup>	Year	Votes For
March 27, 2020	325,350	5.0x	Yes	2019	N/A
<b>OTHER PUBLIC BOARDS DURING PAST 5 YEARS</b>				<b>Value of Total Aimia Board Compensation Received (\$)</b>	
Extencare Inc.	August 2014 – Present			2019	N/A
				2018	N/A



#### Michael Lehmann

Michael Lehmann is the Founder and Managing Member of LARC Capital Holdings LLC, a privately held partnership. Prior to launching LARC Capital in 2016, Mr. Lehmann was a Partner and Portfolio Manager at Third Avenue Management, LLC for over 18 years, a highly respected SEC-registered Investment Advisor. As Third Avenue grew, Mr. Lehmann's responsibilities grew to include Co-Manager of the Third Avenue Value Fund (TAVFX) – Third Avenue's flagship investment product with US\$5.0B of mutual fund assets, Lead Manager of Third Avenue Separate Account business, Portfolio Manager (PM) of the Global Value Equity product, reaching US\$6B in investable assets, Co-Lead PM of Third Avenue Balanced Fund and Lead Manager of Third Avenue Variable Series Fund, where the Fund was awarded the Lipper award for best 5-year track record and SOLIS Partners, a multi-class Investment Partnership where he was a Member of the Investment Committee. Earlier in his career, Mr. Lehmann was a Vice President of Gabelli Funds, Inc, an Investment Advisor to the Gabelli Mutual Funds and an Associate Portfolio Manager of private investment portfolios with Mario J. Gabelli. In his investment career, Mr. Lehmann has invested in a wide array of industries, including: Financials, Industrials, Real Estate, Consumer and Discretionary Goods, and Natural Resources. Mr. Lehmann has a Bachelor of Science degree with a primary concentration in Finance and a secondary concentration in Marketing from Fordham University.

Age: 50  
Rye, New York, United States

**Independent Director since:**  
February 24, 2020

**Areas of Expertise:** Capital Markets and M&A; Compensation and Talent Management; Corporate Governance; Executive Leadership; Financial Literacy; Investment Analysis, Integration and Oversight

**Membership – Aimia Standing Committees:** Audit Committee, Human Resources and Compensation Committee

Meetings Attended in 2019	#	%
Board of Directors	N/A	N/A

Securities Held			Voting Results	
	Value at Risk (\$) <sup>(1)</sup>	Multiple of Annual Retainer	Meets Minimum Shareholding Requirement <sup>(2)</sup>	
March 27, 2020	950,975	14.6x	Yes	
<b>OTHER PUBLIC BOARDS DURING PAST 5 YEARS</b>				<b>Value of Total Aimia Board Compensation Received (\$)</b>
N/A				2019
				2018



#### Philip Mittleman

Mr. Mittleman serves as the Chief Executive Officer and President for Mittleman Brothers, LLC and its subsidiaries, including Mittleman Investment Management, LLC, a value-oriented SEC-registered investment adviser. Before co-founding Mittleman Brothers in 2005, he was Managing Partner of Blue Hill Ventures LLC and Voltron Ventures LP, which were venture capital funds with investments in a variety of industries. Early stage investments in companies such as rent.com (acquired by Ebay), First International Oil Corp (acquired by Sinopec), Eyewonder (acquired by Limelight), and Audium (acquired by Cisco), resulted in liquidity events of over US\$1 billion. From 1991 to 1999, he served as Executive Vice President of the Kushner-Locke Company, a Nasdaq-listed entertainment company. He began his career at Kushner-Locke after attending Kent School, and Trinity College.

**Areas of Expertise:** Capital Markets and M&A; Compensation and Talent Management; Corporate Governance; Executive Leadership; Financial Literacy; Investment Analysis, Integration and Oversight; Loyalty Marketing/ Analytics

**Membership – Aimia Standing Committees:** Governance and Nominating Committee

Age: 49  
Cold Spring Harbor, New York, United States  
**Independent Director since:**  
April 27, 2018

Meetings Attended in 2019	#	%
Board of Directors	23 of 23 <sup>(A)</sup>	100% <sup>(A)</sup>
Audit Committee	4 of 4 <sup>(B)</sup>	100% <sup>(B)</sup>
Human Resources and Compensation Committee	8 of 8 <sup>(C)</sup>	100% <sup>(C)</sup>
Ad Hoc Nominating Committee	4 of 4	100%

Securities Held			Voting Results	
	Value at Risk (\$) <sup>(1)</sup>	Multiple of Annual Retainer	Meets Minimum Shareholding Requirement <sup>(2)</sup>	
March 27, 2020	614,568	9.5x	Yes	
<b>OTHER PUBLIC BOARDS DURING PAST 5 YEARS</b>				<b>Value of Total Aimia Board Compensation Received (\$)</b>
N/A				2019
				2018





## David Rosenkrantz

David Rosenkrantz P. Eng. MBA, has been involved in the investment industry for over 30 years. He initially joined a private investment banking boutique in 1986 and in 1993 he co-founded Patuca Corporation, a private merchant bank specializing in financing the equity requirements of small-cap, high growth companies. Mr. Rosenkrantz graduated from Carleton University with a Bachelor of Engineering (Civil) degree in 1979 and became a Professional Engineer in 1981, and he also holds an MBA from York University. Mr. Rosenkrantz has broad knowledge of both private and public capital markets. His strengths include board governance and audit committee work, financial structuring, negotiations with lenders, and acquisition negotiations. Mr. Rosenkrantz has held the following positions in public companies over the last five years: Chairman of Carfinco Income Fund (TSX:CFN), Canada's largest independent sub-prime auto lender (sold to Banco Santander in 2015); Director and Member of the Audit Committee of NexgenRx Inc. (TSX:NXG), a leading drug adjudication business; and currently Chairman and past Chair of the Audit Committee of Aurora Spine Corporation (TSX-V:ASG), a spinal implant company; and Director and Chair of the Audit Committees of Pinehurst Capital I Inc. (TSX-V:PHT.P) and Pinehurst Capital II Inc. (TSX-V:PINH.P), capital pool companies under the TSX-V Capital Pool Company program. He also has other public company experience, including Director, PreMD Inc. (TSX:PMD, AMEX:PME); Director and past Chairman of the Board of Stellar Pharmaceuticals Inc. (TSX-V:SLX, Q:SLXCF); Lead Director of Medisystem Technologies Inc. (TSX:MDY, acquired by Shoppers Drug Mart Corp.). In addition to the above, Mr. Rosenkrantz has invested in and held board and management positions in several private companies.

Age: 62

Etobicoke, Ontario,  
Canada

**Independent  
Director since:**  
February 24, 2020

**Areas of Expertise:** Capital Markets and M&A; Corporate Governance; Executive Leadership; Financial Literacy; Investment Analysis, Integration and Oversight

**Membership – Aimia Standing Committees:** Audit Committee (Chairman)

### Meetings Attended in 2019

	#	%
Board of Directors	N/A	N/A

Securities Held			Voting Results	
Value at Risk (\$) <sup>(1)</sup>	Multiple of Annual Retainer	Meets Minimum Shareholding Requirement <sup>(2)</sup>	Year	Votes For
352,170	5.4x	Yes	2019	N/A

### OTHER PUBLIC BOARDS DURING PAST 5 YEARS

Aurora Spine Corporation	July 2013 – Present
Pinehurst Capital I Inc.	July 2018 – present
Pinehurst Capital II Inc.	July 2018 – present
Carfinco Financial Group Inc.	March 1997 – March 2015
NexgenRx Inc.	September 2006 – June 2019

### Value of Total Aimia Board Compensation Received (\$)

2019	N/A
2018	N/A



## Jordan G. Teramo

Jordan G. Teramo has 23 years of experience in leveraged capital structure investing and portfolio management. He was most recently the lead portfolio manager for the long/short credit funds of CIBC Asset Management LLC (CIBC) and a member of the firm's Investment Committee. He possesses a broad range of investment management skills and experience in private and public markets, having invested in the spectrum of securities that make up a corporate capital structure: high yield to investment grade, distressed and stressed credit, fixed and floating rate instruments, bonds, loans, CDS, convertible bonds, equities, and index products. Mr. Teramo also has extensive personal experience investing in real estate debt and equity, litigation finance, early stage equity, venture capital, and consumer loans. Prior to CIBC, Jordan spent over two years at Magnetar capital as a portfolio manager incubating and executing on a unique investment strategy with his team. By design and with the support of Magnetar, Mr. Teramo and the team spun out to launch Anandar Capital where he served as President, Co-Founder and Head of Credit for another two years. Mr. Teramo spent over eight years as a portfolio manager/analyst in the High Yield division of Mackay Shields with the same team, before leaving with that team to launch Brigade Capital Management where he was a founding partner. He spent another five years with the Brigade team as assets grew from US\$125 million to US\$11 billion+ by the end of 2011. Before joining Mackay, Mr. Teramo was an analyst/trader in the Credit Arbitrage group at Goldman, Sachs & Co., joining Goldman from Banco Santander where he was a High Yield/Distressed Debt Analyst. Mr. Teramo currently serves on the LP Advisory Committee of Maxim Capital, a commercial real estate lending firm based in New York City. He also serves on the LP Advisory Committee for CityRock venture fund (Hatzimemos/Libby), a strategy and venture firm that focuses on high-growth businesses that add value to society. He holds a B.S. in Economics from Cornell University.

Age: 46

New York, New York,  
United States

**Independent  
Director since:**  
February 24, 2020

**Areas of Expertise:** Capital Markets and M&A; Compensation and Talent Management; Corporate Governance; Executive Leadership; Financial Literacy; Investment Analysis, Integration and Oversight

**Membership – Aimia Standing Committees:** Audit Committee

### Meetings Attended in 2019

	#	%
Board of Directors	N/A	N/A

Securities Held			Voting Results	
Value at Risk (\$) <sup>(1)</sup>	Multiple of Annual Retainer	Meets Minimum Shareholding Requirement <sup>(2)</sup>	Year	Votes For
70.480	1.1x	In process	2019	N/A

### OTHER PUBLIC BOARDS DURING PAST 5 YEARS

N/A

### Value of Total Aimia Board Compensation Received (\$)

2019	N/A
2018	N/A

- (1) The "Value at Risk" for 2020 is based on, with respect to the Shares, the higher of (i) the value of Shares calculated using the average closing price of the Shares on the TSX for March 20 and 23 – 26, 2020, the five (5) trading days preceding the date of calculation (\$2.01) (the **"Market Value of Shares"**) and (ii) the acquisition cost of the Shares, and with respect to DSUs, the Market Value of Shares, as per the Shareholding Guidelines for Directors. The "Value at Risk" for 2019 is based on, with respect to the Shares, the higher of (i) the value of Shares calculated using the average closing price of the Shares on the TSX for May 16 – 17 and 21 – 23, 2019, the five (5) trading days preceding the date of calculation (\$4.08) (the **"2019 Market Value of Shares"**) and (ii) the acquisition cost of the Shares, and with respect to DSUs, the 2019 Market Value of Shares, as per the Shareholding Guidelines for Directors.
- (2) Pursuant to the Shareholding Guidelines for Directors described under "Compensation Discussion & Analysis – Compensation of Directors – Director Share Ownership Requirements", Directors are required to hold Shares or DSUs with an aggregate minimum value at least equal to five (5) times the annual retainer. Directors have a five-year period to comply with the Shareholding Guidelines for Directors, starting on the date of first appointment to the Board of Directors.
- (A) Philip Mittleman was voluntarily recused from the meeting of the Board of Directors held on July 21, 2019 due to a conflict of interest arising from the subject matter of the meeting. He attended all other meetings of the Board of Directors held in 2019.
- (B) Philip Mittleman was a member of the Audit Committee until August 14, 2019, and therefore attended four (4) of the ten (10) Audit Committee meetings held in 2019. He attended all of the Audit Committee meetings held in 2019 until August 14, 2019.
- (C) Philip Mittleman was a member of the Human Resources and Compensation Committee until August 14, 2019, and therefore attended eight (8) of the nine (9) Human Resources and Compensation Committee meetings held in 2019. He attended all of the Human Resources and Compensation Committee meetings held in 2019 until August 14, 2019.

**ALL OF THE NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS ARE INDEPENDENT.**

As shown in the following table, all of the nominees for election to the Board of Directors are independent:

Directors	Independent	Not Independent	Reason for non-independence
Karen Basian	✓		
Charles Frischer	✓		
Sandra Hanington	✓		
Michael Lehmann	✓		
Philip Mittleman	✓		
David Rosenkrantz	✓		
Jordan G. Teramo	✓		

## Shareholdings of Nominated Directors

The following table sets out the number of Shares and DSUs held by nominated Directors as at March 27, 2020:

Director	Shares	DSUs <sup>(1)</sup>	Total Shares and DSUs	Total at Risk Value of Shares and DSUs <sup>(2)</sup>	Value at Risk as Percentage of Minimum Shareholding Requirement <sup>(3)</sup>
Karen Basian	61,215	0	61,215	\$199,989	62%
Charles Frischer	4,950,000	0	4,950,000	\$16,879,599	2110%
Sandra Hanington	148,500	0	148,500	\$325,350	100%
Michael Lehmann	415,900	0	415,900	\$950,975	293%
Philip Mittleman	267,780	38,280	306,060	\$614,568	189%
David Rosenkrantz	112,200	0	112,200	\$352,170	108%
Jordan G. Teramo	18,500	0	18,500	\$70,480	22%

(1) "DSUs" refers to the number of DSUs held by the nominee under the DSU Plan described under "Appendix B LONG-TERM INCENTIVE PLANS – The DSU Plan" (the "DSU Plan"). The DSU Plan was implemented as of January 1, 2009.

(2) The "Total at Risk Value of Shares and DSUs" for 2020 is based on, with respect to Shares, the higher of (i) the Market Value of Shares as at March 27, 2020 (\$2.01) and (ii) the acquisition cost of the Shares, and with respect to DSUs, the Market Value of Shares, as per the Shareholding Guidelines for Directors. The "Total at Risk Value of Shares and DSUs" for 2019 is based on, with respect to Shares, the higher of (i) the 2019 Market Value of Shares as at May 24, 2019 (\$4.08) and (ii) the acquisition cost of the Shares, and with respect to DSUs, the 2019 Market Value of Shares, as per the Shareholding Guidelines for Directors.

(3) Pursuant to the Shareholding Guidelines for Directors described under "Compensation Discussion and Analysis – Compensation of Directors – Director Share Ownership Requirements", Directors are required to hold Shares or DSUs with an aggregate minimum value at least equal to five (5) times the annual retainer. Directors have a five-year period to comply with the Shareholding Guidelines for Directors, starting on the date of first appointment of the Director to the Board of Directors.

## Other Public Company Directorships / Committee Appointments

The following table sets forth, for each Director nominee who is a member of the board of directors of other public companies, information relating to such companies as well as the committees on which they serve.

Name	Other Public Company Directorship	Type of Company	Stock Exchange	Committee Appointments
Karen Basian	goeasy Ltd.	Non-Prime Leasing and Lending Services	TSX	Audit Committee Corporate Governance, Nominating and Risk Committee Human Resources Committee
	The Flowr Corporation	Cannabis Production	TSXV	Audit Committee Human Resources and Compensation Committee Nominating and Corporate Governance Committee
Sandra Hanington	Extencicare Inc.	Senior Care Provider	TSX	Audit Committee Governance and Nominating Committee Quality and Risk Committee
David Rosenkrantz	Aurora Spine Corporation	Healthcare	TSXV	N/A
	Pinehurst Capital I Inc.	Capital Pool Company	TSXV	Audit Committee
	Pinehurst Capital II Inc.	Capital Pool Company	TSXV	Audit Committee

## Policy on Other Directorships

On August 12, 2013, the Board of Directors adopted a policy limiting to four (4) the number of outside public company directorships that can be accepted by a member of the Corporation's Board of Directors in addition to the Aimia directorship (for a total of five (5) public company directorships). All Directors comply with such policy.

## Board Interlocks

In order to limit board interlocks, the Board of Directors adopted in 2011 a policy pursuant to which Directors must first disclose to the Governance and Nominating Committee for its review any proposed appointment to the board of a public company prior to accepting such appointment. As at March 27, 2020, no members of the Board of Directors of the Corporation are members of the same board of directors of another public company.

## **Majority Voting for Election of Directors**

On November 14, 2008, the Board of Directors adopted a “majority voting” policy which was subsequently amended on February 26, 2015. Pursuant to the policy, if a nominee for election as Director receives “for” votes fewer than a majority of the votes (50% + 1 vote) cast with respect to his or her election by Shareholders, he or she must immediately tender his or her resignation to the Board of Directors following the meeting of Shareholders at which the election is held. Upon receiving such resignation, the Governance and Nominating Committee will consider it and make a recommendation to the Board of Directors whether to accept it or not. The Board of Directors shall accept the resignation absent exceptional circumstances and announce its decision in a press release promptly within ninety (90) days following the meeting of Shareholders. If the Board of Directors determines not to accept a resignation, the press release must fully state the reasons for that decision. The resignation will be effective when accepted by the Board. The Director who tendered his or her resignation should not be part of any deliberations of any Committee or of the Board of Directors pertaining to the resignation offer.

The policy only applies in circumstances involving an uncontested election of Directors. For the purpose of the policy, an “uncontested election of Directors” means that the number of Director nominees is the same as the number of Directors to be elected to the Board of Directors and that no proxy material is circulated in support of one or more nominees who are not part of the candidates supported by the Board of Directors.

## **Sessions without Management**

The non-executive Directors meet “in camera” (without Management representatives) at each regularly scheduled Board and Committee meeting. The Chairman of the Board or, as the case may be, the Chair of the Committee, presides over these sessions and informs Management of the nature of the items discussed and if any action is required.

## **Retirement Policy and Director Term Limits**

Under the Corporation’s Retirement Policy, no person shall be appointed or elected as a Director if the person is more than seventy-five (75) years of age. The policy allows for an exception where the Board of Directors determines it is in the interests of the Corporation to request a Director to extend his/her term beyond the regular retirement age, provided however that such extension is requested in one-year increments.

The Board of Directors has not adopted a term limit for Directors, but as described above has a regular retirement age of 75. The Board is of the view that the imposition of arbitrary Director term limits may diminish the benefits derived from continuity amongst members and their familiarity with the industry, and could unnecessarily expose the Corporation to losing experienced and valuable talent. The Board’s renewal process is built around the concept of performance management. To that end, the Corporation relies on rigorous Director selection criteria and assessment procedures to ensure the quality and expertise of its Board. The Board’s succession process includes the use of a skills matrix, comprehensive questionnaires and performance reviews to evaluate the overall effectiveness of the Board and the competencies of individual Directors.

## **Expectations for Individual Directors, Succession Planning and Skills Matrix**

The Governance and Nominating Committee is generally responsible for considering and making recommendations on the desired size of the Board of Directors, the need for recruitment and the expected skill-set of new candidates.

Directors are expected to demonstrate ethical behaviour, high business standards, integrity and respect. The Board makes every effort to ensure that Directors and senior Management consist of individuals who create and sustain a culture of integrity throughout the organization. Prior to joining the Board, new Directors are informed of the level of commitment the Corporation expects of its Directors.

In consultation with the Chairman of the Board of Directors, the Governance and Nominating Committee determines the expected skill-set of new candidates by taking into account the existing strength of the Board of Directors and the needs of the Corporation. Directors must have an appropriate mix of skills, knowledge and experience in business and an understanding of the industry and the geographical areas in which the Corporation operates. Candidates are assessed on their individual qualifications, experience and expertise, and must exhibit the highest degree of integrity, professionalism, values and independent judgment. The Corporation maintains a skills matrix to identify those areas which are necessary for the Board to carry out its mandate effectively. Directors annually self-assess their skills and experiences against a predetermined set of competencies. The Governance and Nominating Committee reviews the matrix annually to confirm it continues to reflect the most relevant skills and experience competencies.

As contemplated by the Settlement Agreement, the Director evaluation and nomination process described above was carried out by the Ad Hoc Nominating Committee in relation to the Directors appointed to the reconstituted Board of Directors in February 2020. All members of the Ad Hoc Nominating Committee were independent directors.

The reconstituted Board of Directors has since confirmed that the individuals nominated at the Meeting meet the skills matrix hereunder.

The following table identifies the specific expertise brought by each individual Director.

Director	Capital Markets and M&A	Compensation and Talent Management	Corporate Governance	Executive Leadership	Financial Literacy	Investment Analysis, Integration and Oversight	Loyalty Marketing/ Analytics
Karen Basian	✓	✓	✓	✓	✓	✓	✓
Charles Frischer	✓	✓	✓		✓	✓	
Sandra Hanington		✓	✓	✓	✓		✓
Michael Lehmann	✓	✓	✓	✓	✓	✓	
Philip Mittleman	✓	✓	✓	✓	✓	✓	✓
David Rosenkrantz	✓		✓	✓	✓	✓	
Jordan G. Teramo	✓	✓	✓	✓	✓	✓	

## Diversity Policy

As provided in the Diversity Policy for Board of Directors and Executive Officers adopted by the Board on February 26, 2015, as amended on February 14, 2018 (the “**Diversity Policy**”), the Board makes Director nomination decisions and the Chief Executive Officer makes Executive Officer appointment decisions based on merit. The Corporation remains committed to selecting the best people to fulfil each role. The Board also believes that diversity (which includes members of designated groups, such as women, members of visible minorities, Aboriginal peoples and persons with disabilities) is important to ensure that the profiles of Directors and members of Aimia's executive team (such members of the senior executive team being the “**Executive Officers**”) provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management. The current Executive Officers are the CEO; CFO; General Counsel and Corporate Secretary; President, APAC & COO, Loyalty Solutions; President, Americas & CCO, Loyalty Solutions; and President, EMEA.

In an increasingly complex global marketplace, the ability to draw on a wide range of viewpoints, backgrounds, skills and experience is critical to the Corporation's success. Aimia needs to continue to develop a brand and environment that appeals to the breadth of talent that will help the Corporation win.

Aimia believes that diversity is an important attribute of a well-functioning Board and an efficient team of Executive Officers. The Corporation recognizes that gender diversity is a significant aspect of this and acknowledges the important role that women with appropriate and relevant skills and experience can play in contributing to the diversity of perspective on the Board and in Executive Officer positions.

Pursuant to the Diversity Policy, the Board aspires to have women comprise at least 30% of the Board by December 31, 2022. There are currently two (2) women nominees for election to the Board, representing 25% of the nominees and thus the 30% aspirational target under the Diversity Policy should be attainable by the end of 2022. The Board remains committed to its Diversity Policy and will continue to include diversity as an important consideration in the selection process of any future candidates, and the Board will be actively considering the appropriateness of setting aspirational targets for other designated groups under its Diversity Policy.

To date, the Corporation has not set specific targets regarding the representation of designated groups in Executive Officer positions. Specific targets have not been adopted for Executive Officers due to the small size of this group and the challenge to effect change at this level of seniority in the organization. There is currently one (1) woman in an Executive Officer position, representing 14% of the Executive Officers of the Corporation and its subsidiaries. However, the Corporation recognizes that diversity is an essential consideration in the selection process for new Executive Officers and intends to implement proactive steps to increase the number of women and members of other designated groups in leadership positions, including development and ongoing monitoring of diversity metrics to support evolution of the talent pipeline for senior Management levels as well as applying rigour to development of diverse external candidate pools.

# STATEMENT OF EXECUTIVE COMPENSATION

## Letter from the Chair of the HRCC and the Chairman to Shareholders

As the Chair of the Human Resources and Compensation Committee (“**HRCC**”) and the Chairman of the Board of Directors, we want to take this opportunity to share with you our approach to considering and determining the compensation for Aimia’s senior Management for 2019. 2019 was another year of significant transition for the business and the executive team performed strongly against the operating plan within that context. We will summarize here, and in the pages that follow, the views and choices of the then-HRCC in 2019 in terms of executive compensation within that context.

### **Commitment to Pay for Performance**

The Board is committed to linking senior Management pay with performance and most of the compensation of our senior Management is incentive-based, contingent on financial performance.

Similarly, the Board believes that a significant portion of senior Management’s compensation should be equity-based. However, in light of various strategic initiatives, the Corporation was in a voluntary trading restriction from 2018 through to the end of May 2019. The Corporation was therefore not in a position to grant any equity-based awards, including Options and PSUs as part of the annual long-term incentive grant, typically done in the first quarter of each year. As a result, all eligible executives received an award under the Performance Cash (“**PC**”) Plan, a cash-based long-term incentive plan, as a substitute for the regular annual equity-based awards. This program is detailed under the “Performance Cash Plan” sub-section on page 42.

Upon conclusion of the voluntary trading restriction, the Board approved the cancellation of the PC awards to the CEO and Chief Financial Officer (“**CFO**”) and granted equity-based awards in the form of Options and PSUs in their place. This is consistent with the Board’s commitment to align the Corporation’s top executives with the interests of our Shareholders. This program is detailed under the “Long-Term Incentives” section on page 41. All other eligible executives remained on the PC plan for 2019 with the expectation that they will receive equity-based awards from 2020 onwards.

In 2019, our short-term incentive compensation plan (“**Short-Term Incentive Plan**” or “**STIP**”) remained focused on a balanced set of metrics which, taken together, were good indicators of successful execution of the Corporation’s operating plan. These include Gross Margin (for operating business units only), adjusted earnings before income tax, depreciation and amortization (“**A-EBITDA**”)<sup>1</sup> for the Corporation, its operating business units and PLM, free cash flow before dividends paid (“**FCF**”)<sup>1</sup> and corporate expenses (for Corporate employees only).

The Board is confident that the programs in place in 2019 appropriately incentivized senior Management to manage the business in the interests of all stakeholders.

### **2019 Performance**

In 2019, Aimia completed the sale of all the issued and outstanding shares of Aimia Canada Inc. (“**Aimia Canada**”), owner and operator of the Aeroplan Program, to Air Canada, for a final consideration of \$516.4 million, including closing adjustments. We also significantly de-risked the balance sheet, with Aimia Canada (now owned by Air Canada) retaining the future redemption liability of the outstanding Aeroplan miles estimated at \$1.9 billion.

Subsequent to the Aeroplan transaction, using cash available from the sale, the Corporation paid down its debt of \$300 million. The Corporation also returned \$307.7 million to common and preferred Shareholders under issuer bids announced in April, June and November. Aimia continues to believe that the market price of its common shares may not, from time to time, reflect the inherent value of the Corporation, and that repurchases of common and preferred shares pursuant to the issuer bids represented an appropriate and desirable use of the Corporation’s funds while maintaining sufficient financial flexibility to execute on the Corporation’s future strategic direction and capital allocation priorities. Aimia also paid out \$78.3 million of dividends to common and preferred Shareholders during 2019. Moreover, Aimia sold its entire stake in Cardlytics for net proceeds of \$131.5 million and its stake in Fractal for \$10 million. The Corporation concluded 2019 with \$350 million in cash, cash equivalents, restricted cash and investments in bonds, setting it up well for further capital allocation decisions in 2020.

In 2019, we embarked on a transformation plan to reduce costs in the operating businesses and become profitable in 2020. We achieved this through headcount reductions (40% since December 31, 2018 excluding Aeroplan), restructuring technology infrastructure and development and lowering our real estate footprint and cost across a number of geographies. We have operated with focus, diligence and urgency to ensure the business continued to deliver against the expectations of our Shareholders, including meeting our financial targets. We achieved our goal of transforming the Loyalty Solutions operating segment by significantly improving A-EBITDA.

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<sup>1</sup> A-EBITDA and FCF are non-GAAP financial measures. Please refer to the notes on pages 38 and 39 for a detailed description of such non-GAAP financial measures.



## Changes In Our Executive Compensation Program

In 2019, Aimia closely aligned employees to their business results by modifying the STIP design. With distinct employee groups, it became clear that each group needed to be held accountable for their own business and financial objectives and businesses that are successful in achieving their objectives should be rewarded. The STIP was therefore revised to harden the link between an employee group's profitability targets and their performance. This includes a heavier weighting on A-EBITDA and replacing Gross Billings with Gross Margin. Targets were designed to incentivize employees to make strategic business decisions rather than focusing on short-term results with the ultimate goal of improving the go-forward/run rate performance of the business. Specific details of the plan can be found in the "Short-Term Incentives" section on page 38.

In addition, we made changes to our LTIP due to significant changes in our business since the last equity-based grants were awarded in 2017. Specifically, we modified the relative performance metrics in the PSUs to better align with the comparison universe where we compete for Shareholder investments, in Canada and abroad. Additionally, in light of the substantial changes to the Corporation since 2017, specifically the divestiture of the Nectar and Aeroplan businesses, it was not possible to measure the cumulative three-year performance against the three-year long range financial targets. As such, whereas A-EBITDA remains the sole internal financial metric used in our LTIP, consistent with our commitment to align senior Management with profitability, A-EBITDA targets are set and measured on an annual basis, with the three-year average of the annual A-EBITDA performance used to calculate the final payout ratio of the PSUs. Full details on vesting and performance conditions described in "Long-Term Incentives" on page 41.

## 2019 Compensation Results

The 2019 operating results were largely in line with targets, with performance meeting or exceeding financial expectations. In assessing the 2019 short-term incentive payouts for Aimia's named executive officers ("**NEOs**"), we adjusted target and reported results in accordance with stated adjustment principles to exclude from targets and results (i) certain one-time expenses (such as severance to simplify the business and one-time expenses related to restructuring technology infrastructure and development and real estate consolidation) and (ii) the favourable impact of IFRS 16.

### Our Executive Compensation Program Practices

We believe the incentive compensation programs are well aligned with our stakeholders' interests in the following ways:

- We have absolute and relative performance metrics in our long-term incentive program, with the relative total shareholder return ("**TSR**") metric having a weighting of 50% and payout capped at 100% if absolute TSR performance is negative.
- We have multiple performance metrics across our short and long-term incentive plans, which provide a balanced focus on profitable growth of the business, relative performance to the market and the creation of long-term Shareholder value.
- We have 60% of long-term incentive value contingent on performance.

Design	Governance
<ul style="list-style-type: none"><li>• 60% of long-term incentive in the form of performance contingent PSUs with the balance in the form of Options which only have value if our share price increases<sup>(1)</sup></li><li>• Short-term incentives aligned with business objectives and annual performance cycle</li></ul>	<ul style="list-style-type: none"><li>• "Hold until met" integral to Share ownership requirements</li><li>• Independent compensation consultant</li><li>• Clawback policy</li><li>• Double-trigger change-in-control policy for the CEO and the CFO</li><li>• Severance multiplier not exceeding 2x base salary</li><li>• Anti-hedging policy</li></ul>

(1) CEO and CFO were the only recipients of equity-based compensation in 2019. All other eligible executives, including the other NEOs, received PC as described in the "Performance Cash Plans" section.

We will continue to evaluate the impact of all of our compensation programs and make further adjustments as necessary, to ensure senior Management and stakeholder interests are appropriately aligned.

## Changes to Aimia's Named Executive Officers

Our former Chief Financial Officer ("**Former CFO**"), Mark Grafton, left the Corporation in May 2019, with Steven Leonard assuming the role. Mr. Leonard has been with Aimia since 2010 in senior finance roles. He has extensive finance experience working with multi-national enterprises and a deep knowledge of Aimia that was critical through 2019 and onwards.

### ***Our Responsibility to Get It Right***

The HRCC believes that Shareholders should have transparent information regarding how much our senior Management is compensated, how Aimia's executive compensation programs work and the basis upon which the HRCC recommends elements of the compensation of senior Management for approval by the Board of Directors. The HRCC believes that the executive compensation program described herein is consistent with Aimia's business strategy, aligned with stakeholder interests and consistent with compensation governance best practices. The choices that were made in 2019 and that we will continue to make will be based on building the right team with the right skills to execute on Aimia's business opportunities in the interest of all of our stakeholders. Additionally, the new Board of Directors is committed to review compensation plans detailed above with an intent to ensure continuous alignment with Shareholder interests.

### ***Changes for 2020***

Looking forward, 2020 will be another year of transition with the reconstitution of the Board of Directors. With all stakeholders' best interests in mind, a refreshed Board will look at new investment opportunities based on a strategic business plan that will be established by the new Board. Management will be tasked with further reducing Corporate expenses. Additionally, there will be continued oversight in the Loyalty Solutions operating business segments with a focus on managing expenses and seeking out synergies, through acquisitions, that will complement our current offerings to existing and new clients in our portfolio.

On behalf of the members of the HRCC and the full Board, we thank you for your continued support of Aimia.

Karen Basian (*signed*)  
Chair of the HRCC

Charles Frischer (*signed*)  
Chairman of the Board of Directors



## Human Resources and Compensation Committee Report to Shareholders

The Board of Directors, assisted by the HRCC, is responsible for the executive compensation policies and practices of Aimia. It has specific accountability for the compensation of the CEO and the other NEOs, whose compensation is detailed in the “Compensation Discussion and Analysis” section that follows.

When making recommendations to the Board of Directors, the HRCC considers a variety of important factors, including Aimia’s business strategy, competitive market forces, independent advice, business needs, governance best practices and Shareholder interests.

On February 24, 2020, the Board of Directors underwent significant renewal, and the HRCC was fully reconstituted. Prior to the full reconstitution of the HRCC, the then-HRCC undertook the following activities in 2019:

1. *Executive compensation benchmarking review:* With the assistance of the HRCC’s independent consultant, the HRCC reviewed Aimia’s executive compensation levels relative to the market. This included a review of the peer companies used for compensation benchmarking purposes to ensure that the peer companies remained appropriate, given the significant changes in Aimia’s business post Aeroplan sale. The HRCC reviewed total compensation levels for senior Management relative to these peer companies to ensure that compensation is competitive, aligned with individual and business performance, and ultimately aligned with Shareholder interests.
2. *Review of compensation plans, policies and practices:* The HRCC reviewed compensation plans, policies and practices, including the 2019 short- and long-term incentive plans and results, and pension plans. Aimia modified the PC Plan, a cash-based long-term incentive plan that was put in place as a substitute for the regular annual equity-based awards due to a voluntary trading restriction in effect. Further details regarding these plans, policies and practices are provided in the “Compensation Discussion and Analysis” that follows.
3. *Executive Succession:* The HRCC regularly updates talent and executive succession and 2019 saw the appointment of the successor to the Chief Financial Officer position the second quarter of the year. Normal course succession planning continues across a much leaner executive team.
4. *Organizational Effectiveness:* A meaningful reduction in total headcount in the wake of business disposals has meant that a new organizational structure is required to achieve success going forward. The CEO, with the support of the HRCC, restructured the Loyalty Solutions operating business segment with a focus on simplification, efficiencies and core technology and services, and the CEO is now directly responsible for each operating business unit.

The HRCC believes that Shareholders should have transparent information regarding how much our senior Management is compensated, how Aimia’s executive compensation programs work and the basis upon which the HRCC recommends elements of the compensation of senior Management for approval by the Board of Directors. While the newly reconstituted HRCC will review the executive compensation program to ensure the greatest possible alignment with Shareholder interests, it believes that the executive compensation program described in these pages is consistent with Aimia’s business strategy, aligned with stakeholder interests and consistent with compensation governance best practices.

Karen Basian (Chair)

Charles Frischer

Michael Lehmann

# COMPENSATION DISCUSSION AND ANALYSIS

The following sections provide details regarding the structure of Aimia's executive compensation program and the specific compensation decisions that were made for the fiscal year ended December 31, 2019. The compensation discussion and analysis ("CD&A") is organized as follows:

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## Executive Compensation Overview and Key Objectives

Aimia's executive compensation program is designed to achieve the following key objectives:

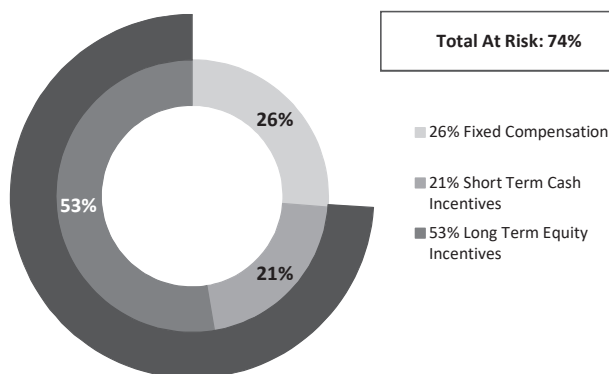
Compensation Objective	Design Criteria
• Attract and retain executives with the skills, capabilities, talent and passion required for Aimia to achieve its long-term strategic objectives.	→ Provide total compensation levels within a competitive range of market median of the peer group, when target performance is achieved.
• Motivate executives and reward them for achieving ambitious corporate objectives, building a strong, results-oriented culture with pay linked directly with performance.	→ Provide the opportunity for top-quartile total compensation when performance is exceptional and below-median compensation when performance targets are not met.
• Align executive interests with those of Shareholders, with the ultimate objective of sustained long-term Shareholder value creation, without encouraging excessive risk taking.	→ Ensure a material proportion of compensation is equity-based with multi-year vesting, combined with shareholding requirements which together promote sustained performance <sup>(1)</sup>

(1) Due to a voluntary trading restriction then in effect, the Corporation could not grant any equity-based awards to executives during the normal equity grant period. As a substitute, the Corporation granted non-equity-based PC awards. See "Performance Cash Plan" on page 42. These awards were converted to PSUs and Options in August 2019 for the CEO and CFO only.

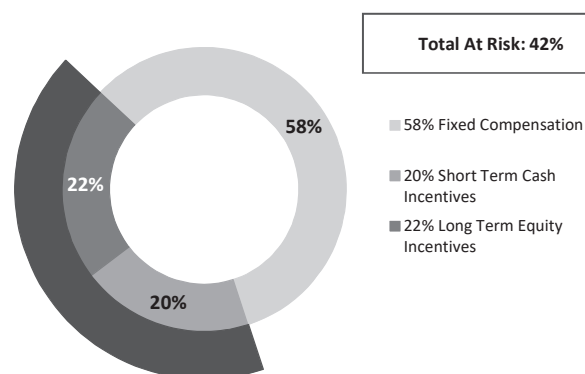
In line with our pay-for-performance and Shareholder alignment objectives, 74% of the CEO's target compensation and 42% of NEOs' target compensation is at risk, contingent on performance, and 53% of the CEO's target compensation and 22% of NEOs' target compensation is long-term equity-based, as illustrated in the following charts which reflect 2019 target total compensation.

### Executive Compensation Program Summary

CEO Target Compensation Mix



Other NEOs Target Compensation Mix



The following table provides a summary of the main components of Aimia's executive compensation in effect for 2019.

Component	Design
<b>Fixed Compensation</b>	
Base Salary	<ul style="list-style-type: none"> <li>Attract and retain key talent required to successfully lead Aimia</li> <li>Generally set at the median of the peer group, but may be higher or lower to recognize individual skills, scope of the role and experience</li> </ul>
Perquisites, Benefits and Retirement Program	<ul style="list-style-type: none"> <li>Provide benefits, pension and perquisite programs that are generally competitive with market practices in the countries where members of our employees reside</li> </ul>
<b>Variable Compensation</b>	
Short-Term Incentive Plan	<ul style="list-style-type: none"> <li>Annual short-term incentive which rewards performance against key financial and individual objectives within the fiscal year</li> <li>Payout for senior Management is based on individual performance and corporation performance, measured on the basis of Gross Margin, A-EBITDA and FCF</li> <li>There is no payout if minimum plan threshold for A-EBITDA is not achieved<sup>(1)</sup></li> </ul>
Long-Term Incentive Program: <i>Performance Share Units (PSUs)</i> <sup>(2)</sup>	<ul style="list-style-type: none"> <li>PSUs are generally granted annually to eligible executives, following approval by the Board of Directors</li> <li>PSUs vest 50% based on A-EBITDA's three-year average annual performance, 25% based on TSR relative to the TSX Small Cap Index and 25% based on TSR relative to the MSCI World Small Cap Index which represents alternatives for Shareholder investment</li> <li>There is no payout if minimum performance thresholds are not achieved<sup>(3)</sup></li> <li>Payout is capped at 100% if absolute TSR is negative, regardless of whether relative performance exceeds target</li> <li>PSUs focus senior Management on the achievement of Aimia's longer-term objectives and promote alignment with Shareholder interests</li> </ul>
Long-Term Incentive Program: <i>Options</i> <sup>(2)</sup>	<ul style="list-style-type: none"> <li>Options are generally granted annually to eligible executives, following approval of the Board of Directors</li> <li>Options vest 25% per year over four (4) years, with a seven-year term</li> <li>Options align executives with share price appreciation over the long-term</li> <li>Options have no value unless the Share price increases above the value on the date of grant</li> </ul>
Long-Term Incentive Program: <i>Performance Cash</i> <sup>(4)</sup>	<ul style="list-style-type: none"> <li>PC awards were granted in 2019 in lieu of PSUs and Options due to a voluntary trading restriction in effect. The CEO's and CFO's PC awards were cancelled in August 2019 and replaced by PSUs and Options.</li> <li>PC awards vest based on performance relative to the three-year average A-EBITDA target as approved by the Board of Directors</li> <li>Payout is capped at 200% of target for senior Management</li> <li>PC awards focus senior Management on the achievement of Aimia's longer-term objectives and promote alignment with Shareholder interests</li> </ul>
<b>Total Compensation</b>	
Fixed & Variable Compensation	<ul style="list-style-type: none"> <li>Provide market median total compensation when target performance levels are achieved, the opportunity for top-quartile total compensation when performance is exceptional and below-median total compensation levels when performance targets are not achieved</li> </ul>

(1) See "Short Term Incentives" on page 38 for a description of minimum STIP threshold.

(2) Equity-based awards were granted only to the CEO and CFO in August 2019. All other executives retained the PC awards that were granted in March 2019.

(3) See "Long-Term Incentives – Performance Targets" on page 41 for a description of minimum PSU plan threshold.

(4) See the "Performance Cash Plan" section on page 42 for further details.

## Compensation Governance

The following table provides details on Aimia's compensation governance for senior Management.

What we do	What we don't do
✓ 60% of the long-term incentive program vests contingent on performance and the balance only has value if Share price increases	✗ We don't allow hedging of Aimia Shares and share-based incentives
✓ Our PSUs vest 25% based on TSR relative to MSCI World Small Cap Index, 25% based on TSR relative to the TSX Small Cap Index and 50% based on achievement of three-year average annual A-EBITDA targets	✗ We don't provide excessive perquisites, severance or supplemental retirement benefits
✓ 74% of our CEO's target compensation and 42% of the target compensation of our other NEOs is at risk based on performance	
✓ We use a balanced scorecard of metrics in our Short-Term Incentive Plan	
✓ We have limited overlap between the metrics used in our short-term and long-term incentives	
✓ We have a Clawback Policy for the recoupment of incentive compensation in certain situations	
✓ Our Compensation Committee is 100% independent and retains an independent advisor	
✓ We use size and industry appropriate peer groups to benchmark compensation and target compensation to the median of the peer group for target level performance	
✓ We provide our Shareholders with an annual advisory vote on our compensation and received 84.09% support for our say-on-pay resolution in 2019	
✓ We disclose our long-term incentive program performance metrics and disclose threshold, target and maximum performance levels for the relative TSR metric and threshold, target and maximum performance levels for the A-EBITDA metric	
✓ We have executive Share ownership requirements, with "hold until met" requirements	
✓ We set rigorous performance goals and measure performance against those goals	
✓ We have a robust enterprise risk management process	
✓ We have an additional A-EBITDA hurdle under our Short-Term Incentive Plan – if the plan threshold A-EBITDA is not achieved, payout is zero, regardless of performance on other metrics	
✓ Relative TSR payout for PSUs is capped at 100% if absolute TSR is negative, regardless of whether relative performance exceeds target	
✓ We provide a double trigger accelerated vesting on change in control for all specified executives and provide for a maximum severance of twenty-four (24) months in all cases	

## ***HRCC Experience***

The members of the HRCC have experience in compensation, finance and corporate governance, among other areas. The information with respect to Director nominees starting at page 18 provides a description of the education and experience of each member of the HRCC as of the date of this Information Circular.

## ***HRCC Independence***

All of the Directors who served as members of the HRCC during the year ended December 31, 2019 were independent within the meaning of applicable regulatory requirements. The HRCC held nine (9) meetings in the fiscal year ended December 31, 2019 and met without Management present at each meeting.

## ***Independent Compensation Consultant***

The HRCC retains an independent compensation consultant that advises the HRCC on the design and market competitiveness of our executive compensation program. During 2019, the HRCC retained the services of Meridian Compensation Partners to provide independent advice on the compensation for senior Management. Meridian Compensation Partners reviewed and provided advice on proposed changes to compensation policies. Meridian Compensation Partners was asked to review HRCC material in advance of, and to attend, HRCC meetings. Meridian Compensation Partners was also asked to comment on market levels and payments to senior Management as required.

Executive and Board compensation-related fees (i.e. services related to determining compensation for any of Aimia's Directors or members of senior Management) and all other fees paid to Meridian Compensation Partners are shown in the following table.

### **Executive and Board Compensation-Related Fees**

<b>Type of Fees</b>	<b>Consulting Fees Billed in 2019 and 2018</b>		<b>Percentage of Total Fees Billed in 2019 and 2018</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Executive and Board Compensation-Related Fees	\$120,252	\$119,813	100%	100%
All Other Fees	\$0	\$0	0%	0%
<b>Total Annual Fees</b>	<b>\$120,252</b>	<b>\$119,813</b>	<b>100%</b>	<b>100%</b>

While the advice of external consultants is an important input into the HRCC's decision-making process, all executive compensation decisions are the ultimate responsibility of the Board of Directors. When making recommendations to the Board of Directors, the HRCC exercises its judgment and considers a variety of important factors, including Aimia's business strategy, competitive market forces, independent external advice, internal business needs, governance best practices and Shareholder interests.

Management worked with various compensation consultants including Willis Towers Watson, Mercer, Equilar and Deloitte in 2019 to obtain market benchmark data for compensation practices and policies and for tax and mobility advice.

## ***Comparator Groups***

The HRCC uses carefully considered peer groups as benchmarks in determining compensation. Specifically, it assesses Aimia's performance against performance peer groups for PSUs, and reviews Aimia's compensation practices, including the CEO and CFO's pay levels, against a compensation peer group.

### **Performance Peer Groups**

The HRCC selected two peer groups for measuring relative TSR in respect of PSU performance, namely the TSX Small Cap Index and the MSCI World Small Cap Index. The HRCC selected the TSX Small Cap Index because it determined that the companies in this index reflect investment alternatives for Shareholders as well as being an appropriate proxy for general market performance. The MSCI World Small Cap Index was selected as an appropriate international index that represents our global breadth and organization's size. Aimia was placed in this index in May 2019.

### **Compensation Peer Group**

External market benchmarking calibrates Aimia's pay practices relative to the market. It is important that our compensation peer group (the "**Compensation Peer Group**") reflects the compensation in various markets in which Aimia competes for the leadership skills and talent required to be successful. In determining the Compensation Peer Group, the HRCC considered the following challenges:

- There are few direct peers within the loyalty industry of a comparable size, with a similar business mix and geographic footprint, that compare well with Aimia;

- Many loyalty management organizations are embedded within larger companies (such as financial institutions, credit card companies or airlines) which generally are not reasonable peers to Aimia for executive compensation benchmarking purposes; and
- The scope, scale and nature of Aimia's business has materially changed in 2019 with the divestiture of the Aeroplan business.

As a result of these challenges, the HRCC selected peer companies which allow for a globally consistent approach, while reflecting the complexities of the various markets in which Aimia competes for talent. Peer companies were chosen in Canada and the U.S. which best reflect Aimia's size, international scope and industry sector. Peer companies for the Compensation Peer Group are selected from:

- Companies similar in size based on annual revenues (generally 1/3x to 3x Aimia's annual revenues);
- Companies within similar, or related, industry sectors;
- Companies that reflect Aimia's strategic direction as an investor focused on growth opportunities in the global loyalty and travel markets (e.g., investment and asset management companies);
- Industries that represent market segments that Aimia plans to target for current or future investments (e.g., loyalty tech companies, travel and leisure, etc.); and
- Companies commonly referenced as peers by investors (based on analyst reports).

The resulting Compensation Peer Group for 2019 is composed of seventeen (17) companies, with a heavy weighting to Canadian companies. This group provides a robust source of market data. The Compensation Peer Group used for benchmarking executive compensation in 2019 was composed of:

Cardlytics Inc.	Indigo Books & Music Inc.	QuinStreet Inc.
Cineplex Inc.	Main Street Capital Corporation	Torstar Corp.
comScore Inc.	National Research Corporation	TVA Group Inc.
Corus Entertainment Inc.	Newtek Business Services Corporation	WildBrain Ltd. (formerly DHX Media)
Enghouse Systems Limited	Points International Ltd.	Yellow Pages Limited
EVO Payments Inc.	Postmedia Network Canada Corp.	

In addition to reviewing proxy data, Aimia also regularly reviews survey data as an additional reference point for compensation benchmarking. Aimia's compensation policies are also benchmarked against the best practices of other companies of a similar size and scope of operations.

While market data is an important input into the HRCC's compensation decisions, the HRCC does not make decisions based exclusively on this data but also considers:

- Each member of the senior Management's experience, progression and success within their role and in leading Aimia as a whole;
- The scope of each senior Management member's role;
- The criticality of the role; and
- Aimia's plans with respect to executive talent development and succession.

### Shareholding Requirements

Aimia has shareholding guidelines which require senior Management (the "**Shareholding Guidelines for Executives**") to maintain a minimum value in equity of at least:

- CEO—4.0x salary
- CFO—2.0x salary
- Eligible executives below the CEO and CFO—1.0x salary

Required ownership levels must be achieved within five (5) years of the executive's date of hiring or promotion into a role that is subject to the guidelines. Shares, DSUs, restricted share units ("**RSUs**"), the in-the-money value of vested Options and 2/3 of any unvested PSUs are included in assessing ownership. Senior Management's Share ownership is monitored on an ongoing basis and evaluated at least annually by the HRCC. Any applicable member of senior Management not in compliance with the applicable guideline is required to reinvest 50% of the after-tax value received from any vested PSUs or RSUs in Shares, and retain 50% of all Shares issued pursuant to any exercise of Options (on an after-tax basis), to the extent required to meet the requirement. As well, applicable members of senior Management cannot sell Shares at any time if the sale of such Shares would result in such person failing to meet the minimum Share ownership requirement.



The following table outlines each NEO's share ownership as at March 27, 2020:

Share ownership as at March 27, 2020								
Role	Required multiple	Shares	Options	PSUs	RSUs	DSUs	Total Value (\$) <sup>(1)</sup>	Total value as a multiple of base salary
CEO (J. Rabe)	4.0	450	542,986	485,819	-	744	1,085,882	1.45
CFO (S. Leonard)	2.0	10,144	111,351	47,903	-	-	138,844	0.48
President, APAC & COO, Loyalty Solutions <sup>(2)</sup> (R. Peake)	1.0	3,600	36,209	-	-	1,702	11,484	0.03
President, Americas & Chief Commercial Officer, Loyalty Solutions <sup>(2)</sup> (C. Faust)	1.0	10,674	-	-	-	-	39,068	0.12
President, EMEA, Loyalty Solutions <sup>(2)</sup> (P. Lacey)	1.0	13,326	36,209	-	-	-	39,578	0.11

(1) Under the Shareholding Guidelines for Executives, "Total Value" represents the sum of (i) the value of Shares, DSUs and RSUs, (ii) the value of two-thirds (⅔) of the value of unvested PSUs and (iii) the in-the-money value of Options vested but not exercised, in each case held by the applicable NEO as of March 27, 2020, calculated using the average closing price of the Shares on the TSX for the five (5) trading days preceding the date of calculation (except in the case of Shares owned, DSUs, RSUs and PSUs which are valued at the higher of said average and acquisition cost). While none of the NEOs hold the required multiple, each complies with the Shareholding Guidelines for Executives provisions.

(2) Ms. Faust and Messrs. Peake and Lacey became subject to the Shareholding Guidelines for Executives on October 29, 2019 when amendments to the Shareholding Guidelines for Executives to include certain senior Management below the CEO and CFO became effective, and therefore have five (5) years from October 29, 2019 to achieve the minimum shareholding requirement.

### Hedging Prohibition

Aimia has trading guidelines in place for all executives and Directors that specifically prohibit the purchase of financial instruments that are designed to hedge or offset a decrease in market value of Aimia's securities or equity-based compensation.

### Compensation Related Risk

In conjunction with the HRCC and its independent advisor, Management regularly reviews Aimia's compensation programs to ensure they do not encourage excessive or inappropriate risk-taking. These reviews include stress-testing incentive plan designs under various performance scenarios (from minimum threshold to maximum) to understand the impact on potential incentive payouts. In addition, Aimia has adopted the following policies to help prevent excessive risk-taking:

- There is an appropriate mix of fixed and variable compensation and weighting of share-based compensation for the NEOs.
- Incentive compensation for all executives is balanced between short-term and long-term incentives to promote balanced decision-making and ensure that executives do not make decisions that increase payouts at the expense of long-term performance.
- Incentive compensation plans include a mix of performance metrics so that executives must achieve balanced performance to earn incentive payouts, avoiding focus on a single goal to the detriment of others or the business as a whole. Business risk is taken into account in setting incentive targets.
- The HRCC reviews and approves the achievement of performance objectives and exercises judgment and discretion when finalizing incentive payouts under Aimia's executive compensation plans, including considering special or extraordinary items not factored into budgets and which impact incentive pay to ensure Management remains focused on the right decisions for the business.
- Aimia has a Clawback Policy that allows the Board of Directors to require the reimbursement or forfeiture of all or part of any incentive-based compensation under certain circumstances.
- Aimia has minimum shareholding guidelines and trading guidelines for all executives to ensure executive interests are aligned with those of Shareholders and which prohibit hedging activities designed to hedge or offset a decrease in market value of Aimia's securities.
- Long-term incentives are awarded annually with overlapping vesting periods, which maintains the exposure of executives to the consequences of their decisions through unvested equity. 60% of the long-term incentive program vests contingent on performance.
- Incentive plans have a maximum payout.
- The payout of the short-term incentive is subject to the achievement of a threshold to ensure capacity to pay within the program.



## Clawback Policy

The Board has the right to require the repayment or forfeiture by the CEO and/or CFO (or former CEO and/or CFO) of all or part of any incentive-based compensation (including Options) if both:

1. the amount of any incentive-based compensation was calculated based upon, or contingent upon, the achievement of certain financial results that are subsequently the subject of, or affected by, a restatement of Aimia's audited financial statements required by applicable securities laws due to Aimia's material breach of financial reporting requirements applicable pursuant to securities laws at the time the original financial statements were filed (other than a change in accounting rules or policy with retroactive effect); and
2. the amount of any incentive-based compensation would have been lower based on the restated financial results.

The clawback/recoupment applies to any incentive-based compensation awarded within the three (3) years preceding the restatement.

In all cases, clawback/recoupment is limited to the difference between the incentive-based compensation earned and the incentive-based compensation that would have been earned had the incentive-based compensation been determined using the restated financial results.

## Elements of Aimia's Compensation Program

### Salary

The HRCC reviews and approves the salary of each member of senior Management, taking into account the executive's responsibilities, experience, the scale and scope of business operations under supervision, and overall performance. For 2019, base salaries were critically evaluated against median levels of comparable roles in the Compensation Peer Group and purchased market data. Base salary may be positioned above or below median in recognition of skills, scope of the role and experience.

### Short-Term Incentives

The Short-Term Incentive Plan is an important component of Aimia's executive compensation program. The plan recognizes and rewards executives for the achievement of results that are aligned with business objectives over the annual performance cycle.

Each executive has a short-term incentive target, expressed as a percentage of salary. Actual short-term incentive payments can range from zero to 2.0x the target short-term incentive, based on the achievement of Corporation and individual results. We use a balanced scorecard of metrics to measure profitability, growth of the business and the financial health of the business. This ensures that our executives are rewarded for results that are aligned with the overall performance of the business. The performance metrics used in the plan and the business rationale for using these metrics are as follows:

Performance Metrics	Reasons for Selection
<b>Corporate Metrics:</b> <ul style="list-style-type: none"><li>• Combined Business Unit A-EBITDA<sup>(1)</sup></li><li>• Corporate expense budget<sup>(2)</sup></li><li>• PLM Adjusted EBITDA ("PLM A-EBITDA")<sup>(3)</sup></li><li>• Qualitative objectives</li></ul>	<ul style="list-style-type: none"><li>• A-EBITDA is our key metric tracked by Shareholders at the Corporation level to evaluate the profitable growth and health of our business and our ability to generate returns for Shareholders.</li><li>• The Corporate group is not a profit centre therefore containing costs within the expense budget is imperative and an important link to overall profitability.</li><li>• PLM, owner of the Club Premier loyalty program, in which Aimia holds a 48.9% interest, is viewed by Shareholders as an important investment to Aimia, for which the growth of the program through A-EBITDA improvement is a key performance metric.</li><li>• Qualitative objectives were established in 2019 at they were deemed to materially contribute to the success of the Corporation in the near-term and set up the Corporation for long-standing success going forward.</li></ul>
<b>Business Unit Metrics:</b> <ul style="list-style-type: none"><li>• Consolidated A-EBITDA<sup>(1)</sup></li><li>• Business unit Gross Margin<sup>(4)</sup></li><li>• Business unit A-EBITDA<sup>(1)</sup></li><li>• Business unit FCF<sup>(5)</sup></li></ul>	<ul style="list-style-type: none"><li>• Gross Margin, A-EBITDA and FCF of our business units are key metrics tracked by Shareholders to evaluate profitability and health of our business and our ability to generate returns for Shareholders.</li></ul>
<b>Individual Strategic Metrics:</b> <ul style="list-style-type: none"><li>• Strategic objectives that are directly impacted by each executive</li></ul>	<ul style="list-style-type: none"><li>• The HRCC believes that each executive should also be evaluated on the successful achievement of objectives that are linked to Aimia's business strategy and organizational goals</li></ul>

(1) A-EBITDA is not a measurement based on GAAP, is not considered an alternative to operating income or net earnings in measuring performance, does not have a standardized meaning and is not comparable to similar measures used by other issuers. A reconciliation to operating income is provided in Aimia's Management's Discussion and Analysis for the year ended December 31, 2019 (the "2019 MD&A"). A-EBITDA is used by Management to evaluate the Corporation's performance. Management believes A-EBITDA assists investors in comparing Aimia's performance on a consistent basis excluding depreciation and amortization and impairment charges related to non-financial assets, which are non-cash in nature and can vary significantly depending on accounting methods as well as non-operating factors such as historical cost. Management believes that the inclusion of distributions and dividends received or receivable from equity-accounted investments in A-EBITDA assists investors by adding a performance indicator representative of earnings from equity-accounted

investments accessible to the Corporation. A-EBITDA is operating income adjusted to exclude depreciation, amortization and impairment charges related to non-financial assets. A-EBITDA also includes distributions and dividends received or receivable from equity-accounted investments.

- (2) Corporate expenses represents expenses reported within Corporate and Other in Aimia's consolidated financial statements. Corporate expenses include central operating costs, including costs related to public company disclosure and Board costs, executive leadership, consolidated reporting, treasury and M&A, that have not been allocated to the Loyalty Solutions Operating Segment.
- (3) PLM A-EBITDA is not a measurement based on GAAP, is not considered an alternative to operating income or net earnings in measuring performance, does not have a standardized meaning and is not comparable to similar measures used by other issuers. Management does not believe that PLM A-EBITDA has an appropriate directly comparable GAAP measure. However, a reconciliation to PLM's operating income is provided in the 2019 MD&A. PLM A-EBITDA is used by Aimia and PLM's Management to evaluate performance. Aimia and PLM's Management believes PLM A-EBITDA assists investors in comparing PLM's performance on a consistent basis without regard to depreciation and amortization and impairment charges related to non-financial assets, which are non-cash in nature and can vary significantly depending on accounting methods, and non-operating factors such as historical cost. PLM A-EBITDA is operating income adjusted to exclude depreciation, amortization and impairment charges related to non-financial assets, as well as adjusted for certain factors particular to PLM, such as charges in deferred revenue and Future Redemption Costs.
- (4) Gross Margin is measured as revenue less cost of rewards and direct costs, amortization of accumulation partners' contracts, customer relationships and technology and depreciation and amortization as reported in accordance with GAAP and as per Aimia's accounting policy at the time the Budget was prepared.
- (5) FCF is a non-GAAP measure, does not have a standardized meaning and is not comparable to similar measures used by other issuers. It is used in order to provide a consistent and comparable measurement of cash generated from operations and used as an indicator of financial strength and performance. FCF is defined as cash flows from operating activities, as reported in accordance with GAAP, less total capital expenditures (including continuing and discontinued operations) and principal elements of lease payments as reported in accordance with GAAP. A reconciliation to cash from operating activities in accordance with GAAP is provided in the 2019 MD&A.

The annual performance incentive targets and plans for each NEO are shown in the following table:

Role	Target Short-Term Incentive (% of base salary)	Plan	Plan Payout Range
Chief Executive Officer	100%	Corporate	0 – 200%
Chief Financial Officer	50%	Corporate	0 – 200%
President, APAC & Chief Operations Officer (COO), Loyalty Solutions	30%	Business Unit	0 – 150%
President, Americas & Chief Commercial Officer (CCO), Loyalty Solutions	40%	Business Unit	0 – 150%
President, EMEA, Loyalty Solutions	35%	Business Unit	0 – 150%

The annual financial performance incentive metric and Corporate qualitative metric weightings for 2019 for each NEO are shown in the following table:

Metrics	Corporate NEOs	Loyalty Solutions NEOs
<b>Corporate Financial Metrics<sup>(1)</sup></b>	<b>60% of Corporation Objectives</b>	<b>20% of Corporation Objectives</b>
Combined Business Unit A-EBITDA	40%	-
Corporate Expense Budget	40%	-
PLM A-EBITDA	20%	-
Consolidated A-EBITDA	-	100%
<b>Corporate Qualitative Metrics</b>	<b>40% of Corporation Objectives</b>	
	100%	-
<b>Business Unit Financial Metrics</b>		<b>80% of Corporation Objectives</b>
Gross Margin	-	20%
A-EBITDA	-	60%
FCF	-	20%

In addition to the financial performance and corporate qualitative objectives, there are individual strategic metrics weighted at 20% of the overall annual performance incentive for the CEO and CFO and weighted at 30% for the President, APAC & COO, Loyalty Solutions, President, Americas & CCO, Loyalty Solutions and President, EMEA, Loyalty Solutions.

The threshold, target and maximum performance levels and corresponding payouts are established each year by the HRCC based on the annual Board-approved targets within Aimia's financial plan. For A-EBITDA and FCF, the minimum threshold and maximum are 80% and 120% of target, respectively, while for Gross Margin the minimum threshold and maximum are 90% and 110% of target, respectively. There is an overall minimum threshold that A-EBITDA must attain for any payment under the Short-Term Incentive Plan to occur, which aligns short-term incentives with Aimia's capacity to pay.

In 2019, qualitative metrics were introduced into the Corporate Short-Term Incentive Plan design for the Corporate NEOs as these objectives also materially contribute to the success of the Corporation and, more importantly, set up the Corporation as a successful and long-standing organization going forward. Four objectives were identified and approved by the Board of Directors:

1. Develop a go-forward strategy in the first quarter of the year;
2. Create a high performance organization, including a new governance structure and recruiting for key leadership roles;
3. Develop and execute a strategy for functional departments (finance, IT, HR) to run autonomously from Aeroplan by end of year; and
4. Develop and execute a disciplined process to evaluate capital allocation alternatives and/or return of capital to Shareholders.

#### *Short-Term Incentive Plan Adjustments*

The evaluation of performance and payouts under the Short-Term Incentive Plan is a key HRCC responsibility. The short-term incentive payments are based predominantly on the achievement of financial results compared to budgeted and targeted amounts set prior to the beginning of each applicable year. The nature of Aimia's business is such that actual results may be impacted by unanticipated events. The HRCC follows a set of principles in considering adjustments, both positive and negative, to results:

- Adjustments should be made consistently year over year and should be symmetrical (adjusting performance both upwards and downwards);
- Adjustments should be made to eliminate discretionary transactions that could otherwise be undertaken or deferred by Management to improve incentive payouts;
- Adjustments should be considered for events that are outside the scope of Management's control and ability to manage;
- Adjustments should be considered for transactions that are outside normal corporate planning and budgeting (e.g. a significant restructuring); and
- Adjustments should not be made to relieve Management from the consequences of their decision-making or for matters that Management is expected to manage.

Accordingly, 2019 short-term incentive metrics for Aimia's NEOs were adjusted with stated adjustment principles to from targets and results (i) certain one-time expenses (such as severance to simplify the business and one-time expenses related to restructuring technology infrastructure and development and real estate consolidation) and (ii) the favourable impact of IFRS 16.

#### *NEO Performance Objectives*

As part of the business planning process, the Chairman of the Board of Directors and the Chair of the HRCC review and set the individual strategic performance objectives of the CEO, who in turn develops the objectives of his direct reports, all of which are then reviewed with the HRCC and the Board. The individual strategic objectives for the CEO and CFO have a 20% weighting (30% in the case of all other NEOs) and are determined based on quantitative results and a qualitative evaluation by the Board of Directors in the case of the CEO, and by the HRCC for the CFO and the CEO's other direct reports, with input from the CEO. Strategic objectives for each NEO are established at the start of each year and include metrics from the following performance categories:

- **Operational effectiveness and financial performance:**
  - Revenue enhancement and financial plan achievement
  - Operational planning, budget oversight and resource management
  - Project delivery
- **Strategic innovation and business growth:**
  - Strategic business planning and development
  - Customer service enhancements
  - Business, product and/or process design and development
  - Product and program enhancements
- **Organizational Effectiveness:**
  - Talent development and succession planning
  - Development of effective leadership and communications processes
  - Development of organizational efficiency, capacity and capability
- **Enhancement of Aimia's capabilities:**
  - Global collaboration and execution of enterprise-wide initiatives
  - Enhancement of professional skill set

In 2019, the focus was weighted towards the three primary goals of the business: achieving Aimia's financial objectives as set by the Board; creating a high performance organization and developing a consolidation strategy in the loyalty and travel business. Senior Management was also focused on key stakeholder relationships, including in respect of clients, partners, Shareholders and employees.

## Profit Sharing Plan

The top executives of our Loyalty Solutions<sup>2</sup> business, including the Loyalty Solutions NEOs, were tasked with reducing costs in the operating business such that it would become profitable by the fourth quarter in 2019. A profit sharing plan was developed for the 2019 year to incentivize these executives to make strategic business decisions with the ultimate goal of achieving a positive A-EBITDA on a run rate basis by the fourth quarter. As such, 50% of the fourth quarter profits of the Loyalty Solutions business would be shared among the pool of eligible executives, up to a maximum aggregate amount of \$1.125 million. Maximum payout represents 65% of each individual's base salary where exceptional performance is achieved. In addition, because talent retention is critical for the success of the business in the long-term, the profit sharing plan was also designed to retain the key leaders of the operating business through 2019 and into 2020 by making executives eligible to receive any payouts under the plan only if they remain employed on the date of payout.

## Long-Term Incentives

Aimia's long-term incentive program is designed to attract and retain key employees and motivate them to meet or exceed Aimia's performance targets over the long-term. Long-term incentive grants are determined based on a percentage of the salary for the CEO and CFO (fixed dollar amount for the other NEOs) and the position held by the applicable member of senior Management, without consideration for previous grants. The NEO long-term incentives are awarded in Options under Aimia's LTIP and in PSUs under Aimia's Share Unit Plan ("SUP") as follows:

Long-Term Incentive Award Type	Design Details	Design Objectives
Options	<ul style="list-style-type: none"> <li>Options comprise 40% of the value of the long-term incentive program</li> <li>Exercise price is based on the average closing price for the five trading days preceding the date of grant</li> <li>Vesting is 25% per year over four (4) years from date of grant</li> <li>Expiry is seven (7) years after date of grant</li> </ul>	<ul style="list-style-type: none"> <li>Align plan participants and Shareholder interests <ul style="list-style-type: none"> <li>Options only have value if the share price increases from the date of grant</li> </ul> </li> <li>Motivate plan participants to pursue strategies that will enhance Shareholder value over the long-term</li> </ul>
Performance Share Units (PSUs)	<ul style="list-style-type: none"> <li>PSUs comprise 60% of the value of the long-term incentive program</li> <li>PSUs cliff vest at the end of a three-year performance period: <ul style="list-style-type: none"> <li>50% based on achievement of target average A-EBITDA measured annually</li> <li>25% based on TSR relative to the companies in the TSX Small Cap Index</li> <li>25% based on TSR relative to MSCI World Small Cap Index</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Align plan participants with Shareholders <ul style="list-style-type: none"> <li>PSU value directly tracks the Share price</li> </ul> </li> <li>Reward plan participants for consistent earnings performance over the long-term <ul style="list-style-type: none"> <li>A-EBITDA was selected as a PSU performance metric since it is one of the principal metrics used by the investment community to evaluate Aimia's performance and is considered to have an important impact on long-term value growth</li> <li>Relative TSR was selected to ensure that performance was measured on a relative basis to the market for Shareholder investment</li> </ul> </li> </ul>

## Performance Targets

A-EBITDA targets for PSU grants are established based on Aimia's annual business plans, which are approved by the Board of Directors and are set on a basis that will be challenging to achieve. The achievement ratio will be measured on the three-year average annual performance at the end of the three-year vesting period to determine vesting for this factor. The targets for A-EBITDA are:

- Threshold: set at 80% of target A-EBITDA and will result in an A-EBITDA payout factor of 50% of target
- Target: set at 100% of target A-EBITDA and will result in an A-EBITDA payout factor of 100% of target
- Maximum: set at 120% of target A-EBITDA and will result in an A-EBITDA payout factor of 150% of target

Threshold, target and maximum performance levels and actual performance for this metric will be disclosed at the time of payout of the PSUs.

With respect to the LTIP, a similar set of principles in considering adjustments, both positive and negative, to results as stated in "Short-Term Incentive Plan Adjustments" on page 40 is applied to the measurement of the A-EBITDA performance for 2019.

The targets for relative TSR are:

<sup>2</sup> Loyalty Solutions in this "Compensation Discussion & Analysis" refers specifically to the operating business unit, which differs from Loyalty Solutions Operating Segment, the operating segment reported in the 2019 MD&A.

- Threshold: 25<sup>th</sup> percentile (P25) performance relative to the peer groups results in a TSR payout factor of 50% of target
- Target: 50<sup>th</sup> percentile (P50) performance relative to the peer groups results in a TSR payout factor of 100% of target
- Maximum: 75<sup>th</sup> percentile (P75) performance relative to the peer groups results in a TSR payout factor of 150% of target

The HRCC determined that the threshold, target and maximum were appropriate based on extensive stress-testing of the performance of Aimia relative to its peer groups.

Performance below threshold (below 25<sup>th</sup> percentile) will result in a TSR payout factor of 0%. In addition, if absolute performance is negative for any performance period, the TSR payout factor is capped at 100% of target, regardless of whether relative performance exceeds target.

The HRCC determined that an A-EBITDA metric together with a TSR metric relative to the companies in the TSX Small Cap Index and the MSCI World Small Cap Index provides a balanced combination of absolute and relative metrics, incentivizing executives to achieve critical strategic goals and rewarding performance in alignment with Shareholder interests.

Further, the combination of PSUs and time-vesting Options provides a strong link between pay and performance, by focusing executives on both financial objectives over a three-year time horizon, outperformance of the market and Share price appreciation over the longer term.

The PSUs are awarded under the SUP, with details on vesting and performance conditions described in “Appendix B LONG-TERM INCENTIVE PLANS”. In addition, the SUP also provides for the granting of RSUs. RSUs do not form part of the NEO annual long-term incentive grants, but can be granted from time to time based on special circumstances. The SUP links rewards with the creation of Shareholder value by (i) tying the vesting of PSUs to longer-term profitability and Shareholder return; and (ii) tying the payout of RSUs and PSUs to the value of Aimia’s Shares. The SUP also promotes retention.

Aimia also has a DSU plan, details of which, along with details on the LTIP and SUP, can be found under “Appendix B LONG-TERM INCENTIVE PLANS”.

### ***Performance Cash Plan***

The PC Plan was employed once more in 2019 as a result of a continued voluntary trading restriction in place at the time of our normal annual LTIP grant. The objective of the plan is to align executives’ interests to Aimia’s profitability objectives over a three-year period. Therefore, A-EBITDA is the only financial metric measured, based on the annual Board-approved target within Aimia’s financial plan. The PC plan is designed with three annual targets, added together at the conclusion of the three-year vesting period to determine the final result. All eligible executives normally eligible to receive options and/or PSUs under the LTIP and SUP were provided this award in 2019. The CEO’s and CFO’s awards were cancelled and replaced by Options and PSUs in August 2019 and the Board of Directors does not anticipate granting any further PC awards going forward.

The targets for A-EBITDA are:

- Threshold: set at 80% of target and results in a payout of 50% of target
- Target: set at 100% of target and results in a payout of 100% of target
- Maximum: set at 120% of target and results in a payout of 200% of target

With respect to the PC Plan, a similar set of principles in considering adjustments, both positive and negative, to results as stated in “Short-Term Incentive Plan Adjustments” on page 40 is applied.

### ***Retirement Plans***

Aimia’s executives participate in retirement plans that reflect market practices and conditions in the various countries in which Aimia operates. Summaries of the retirement plans available to Aimia’s senior Management in each region are as follows:

Canada: Retirement savings for Canadian-based senior Management are delivered through a registered defined contribution pension plan (the “**Defined Contribution Plan**”) and a supplementary executive retirement plan (the “**SERP**”). The Defined Contribution Plan involves annual contributions through co-payment by senior Management and Aimia equal to 15% of base salary, up to the annual maximums permitted under Canadian tax legislation. Once such maximums are met, a corporation-paid SERP completes the contribution to achieve the target annual contribution.

**United Kingdom:** Senior Management based in the United Kingdom participate in a Group Self-Invested Pension Plan (“**Group SIPP**”) established for all U.K.-based employees. Under the Group SIPP, Aimia contributes 10% of base salary provided the executive also contributes 5% of base salary. There is no supplemental retirement plan for U.K.-based senior Management. U.K. legislation provides for a maximum Lifetime Allowance (LTA) for all registered schemes, including registered pension schemes.

**Australia:** Senior Management participates in the Superannuation, a government mandatory fund for all Australian-based employees. Under the Superannuation, Aimia contributes 9.5% of base salary per legislative requirement. There is no supplemental retirement plan for Australian-based senior Management.

**United States:** Senior Management based in the United States participate in a 401(k) retirement savings plan established for all eligible US-based employees. Under the plan and subject to Internal Revenue Service annual contribution maximums, executives may contribute up to 75% of their base pay. The Corporation matches 50% of executives’ contributions up to a maximum of 6% of base pay. There is no supplemental retirement plan for US-based senior Management.

**United Arab Emirates:** Senior Management based in Dubai receive an End of Service Gratuity (“**Service Gratuity**”) per UAE employment law in lieu of a company pension scheme. Remuneration is calculated at twenty (28) days’ payable for each year of service between years one through four and 30 days for each year of service above five years. This is payable upon termination for any Dubai-based employee.

### **Perquisites and Other Benefits**

Aimia’s executive benefits and pension programs have been designed to reflect competitive market practices in each of the markets where Aimia competes for talent. In addition to these benefits, Aimia’s NEOs may receive a perquisite allowance up to 15% of base salaries, subject to a maximum of 70,000 (in local currency). Details on the value of these programs to Aimia’s NEOs are included in the Summary Compensation Table on page 50.

Aimia’s NEOs participate in the same benefits programs offered to all employees. These programs reflect typical market practices and conditions in the various countries in which Aimia operates, and include mandatory and voluntary participation options for employees and their eligible dependents. For example, key elements of the benefit plan in Canada are basic group life insurance, accidental death and dismemberment insurance, short and long-term disability coverage, medical and dental coverage, out-of-country insurance and supplementary life and accidental death and dismemberment insurance.

### **Pay Mix**

The following table provides the “pay mix” (as hereinafter defined) of the total compensation awarded in 2019 for each of the NEOs. “Pay mix” is the relative value of each compensation element as a percentage of total compensation.

<b>Name and Principal Position</b>	<b>% of Total Compensation from Salary</b>	<b>% of Total Compensation from Share-Based Awards<sup>(1)</sup></b>	<b>% of Total Compensation from Option-Based Awards<sup>(1)</sup></b>	<b>% of Total Compensation from Short-Term Incentive Plans<sup>(2)</sup></b>	<b>% of Total Compensation from PC Awards<sup>(3)</sup></b>	<b>% of Total Compensation from Pension Value</b>	<b>% of Total Compensation from All Other Compensation</b>
<b>Jeremy Rabe</b> CEO	18%	38%	18%	18%	0%	3%	5%
<b>Steven Leonard</b> CFO	30%	17%	11%	18%	0%	4%	20% <sup>(4)</sup>
<b>Richard Peake</b> President, APAC and COO, Loyalty Solutions	27%	0% <sup>(1)</sup>	0% <sup>(1)</sup>	26% <sup>(2)</sup>	8%	1%	38% <sup>(4)</sup>
<b>Cindy Faust</b> President, Americas and CCO, Loyalty Solutions	36%	0% <sup>(1)</sup>	0% <sup>(1)</sup>	38% <sup>(2)</sup>	12%	1%	13% <sup>(4)</sup>
<b>Paul Lacey</b> President, EMEA, Loyalty Solutions	35%	0% <sup>(1)</sup>	0% <sup>(1)</sup>	35% <sup>(2)</sup>	11%	2%	17% <sup>(4)</sup>

(1) Ms. Faust and Messrs. Peake and Lacey were awarded long-term incentives under the PC Plan in 2019. This is a cash-based award and therefore the value is not represented in Share- or Option-based compensation. In addition, they did not receive equity-based compensation under the LTIP or SUP in 2019.

(2) Includes the value of the profit sharing plan.

(3) Ms. Faust and Messrs. Peake and Lacey were awarded long-term incentives under the PC Plan in 2019. This is a cash-based award that will become payable after 3 years.

(4) Includes the value of a retention bonus granted in 2017 and paid in 2019.



- (1) Ms. Faust and Messrs. Peake and Lacey were awarded long-term incentives under the PC Plan in 2019. This is a cash-based award and therefore the value is not represented in Share- or Option-based compensation. In addition, they did not receive equity-based compensation under the LTIP or SUP in 2019.
- (2) Includes the value of the profit sharing plan.
- (3) Ms. Faust and Messrs. Peake and Lacey were awarded long-term incentives under the PC Plan in 2019. This is a cash-based award that will become payable after 3 years.
- (4) Includes the value of a retention bonus granted in 2017 and paid in 2019.

The percentage of NEO total cash compensation and total compensation that resulted from the achievement of qualitative assessments of metrics within the STIP that are not fully disclosed, as described on page 40, is shown in the following table.

Name and Principal Position	% of Compensation Based on Metrics Not Fully Disclosed	
	% of Total Cash Compensation <sup>(1)</sup>	% of Total Compensation
<b>Steven Leonard</b> <sup>(2)</sup> CFO	6.74%	3.39%
<b>Richard Peake</b> President, APAC and COO, Loyalty Solutions	6.41%	2.64%
<b>Cindy Faust</b> President, Americas and CCO, Loyalty Solutions	8.51%	5.31%
<b>Paul Lacey</b> President, EMEA, Loyalty Solutions	7.13%	4.14%

(1) Represents base salary plus short-term incentives described in the Named Executive Officer Compensation section on page 38.

(2) The CFO's short-term incentive target increased on May 1, 2019 to 50% when he was promoted to CFO. It was previously 40% as Chief Accounting Officer. The Total Cash Compensation for the CFO incorporates both targets on a pro-rated basis based on time spent in each respective role.

## 2019 Compensation

### Short-Term Incentive Plan Results

The Short-Term Incentive Plan threshold, target and maximum performance objectives for 2019 for the NEOs are presented in the following table, along with the reported full year 2019 results and the adjusted results the financial metrics within the STIP.

	2019 Performance Objectives <sup>(1)</sup>			2019 Results	
	Threshold	Target	Maximum	As reported including extraordinary events	Adjusted to exclude extraordinary events
<i>Corporate Performance Objectives and Results (in thousands of CAD)</i>					
Combined Business Unit A-EBITDA <sup>(2)</sup>	\$(22,800)	\$(19,000)	\$(15,200)	\$(20,800)	\$(8,600)
Corporate Expense Budget	\$(31,800)	\$(26,500)	\$(21,200)	\$(46,100)	\$(25,800)
PLM A-EBITDA <sup>(3)</sup>	\$98,300	\$109,200	\$120,100	\$112,600	\$112,600
<i>Business Unit Performance Objectives and Results (in thousands of CAD)</i>					
Consolidated A-EBITDA	\$(11,900)	\$(9,900)	\$(7,900)	\$(31,700)	\$900
Gross Margin	\$60,800	\$67,600	\$74,400	\$78,800	\$78,800
Business Unit A-EBITDA <sup>(2)</sup>	\$(17,000)	\$(14,200)	\$(11,400)	\$(16,100)	\$(6,900)
FCF <sup>(2)</sup>	\$(19,400)	\$(16,200)	\$(13,000)	\$(52,900)	\$(12,300)

(1) 2019 Performance Objectives were based on core business performance excluding restructuring and other one-time items.

(2) A-EBITDA and FCF are non-GAAP financial measures. Please refer to the notes on pages 38 and 39 for a detailed description of such non-GAAP financial measures.

(3) These amounts have been converted from US dollars using a conversion rate of \$1.3263, which corresponds to the average monthly exchange rate.

The targets and results are both adjusted to exclude extraordinary events are in keeping with the Corporation's stated adjustment principles<sup>3</sup>. Reported results were adjusted to exclude from targets and results (i) certain one-time expenses (such as severance to

<sup>3</sup> See adjustment principles as stated in the Short-Term Incentive Plan Adjustments section on page 40.

Results from the corporate plan's qualitative objectives are as follows:

Objectives	Assessment
Develop a going-forward strategy in the first quarter of the year	Met
Create a high performance organization, including a new governance structure and recruiting for key leadership roles	Met
Develop and execute a strategy for functional departments (finance, IT, HR) to run autonomously from Aeroplan by end of year	Met
Develop and execute a disciplined process to evaluate capital allocation alternatives and/or return of capital to Shareholders	Above

The calculated corporate and business unit payout ratios, inclusive of these adjustments and per the approved Short-Term Incentive Plan, are 132% and 150% respectively.

### Profit Sharing Plan Results

The Loyalty Solutions Profit Sharing Plan was designed to incentivize the top executives of the Loyalty Solutions operating business unit to make strategic business decisions with the ultimate goal of achieving a positive A-EBITDA on a run rate basis by the fourth quarter. Under the Profit Sharing Plan, 50% of Loyalty Solutions' fourth quarter A-EBITDA would be shared among a pool of eligible executives in the operating business unit, including certain NEOs. Consistent with the adjustment principles described in "Short Term Incentive Plan Adjustments" on page 40, the reported fourth quarter A-EBITDA was adjusted, for purposes of the Profit Sharing Plan, to exclude certain transformational one-time costs, including severance, IT infrastructure and development restructuring costs, costs to integrate two operating businesses, and costs related to the consolidation of our office footprint. Reported fourth quarter A-EBITDA was also adjusted to exclude the favorable impact of IFRS 16. Loyalty Solutions' A-EBITDA for the fourth quarter, as adjusted, was \$1,832,000, resulting in a payout under the Profit Sharing Plan. The amounts paid to each of the NEOs who were eligible under the Profit Sharing Plan are detailed in the Summary Compensation Table on page 50.

### Long-Term Incentive Plan Results

The PSU threshold, target and maximum performance objectives for 2017–2019 for the NEOs are presented in the following table, along with the reported 2017–2019 A-EBITDA results and TSR percentile ranking. The below performance objectives are per the PSU plan as designed and approved in 2017. As the 2017–2019 long range plan included the Nectar/i2C and Aeroplan businesses and the methodology to calculate A-EBITDA changed in 2019, the Board approved a modification in the A-EBITDA target from a three-year aggregate to an average of three annual targets.

	2017–2019 Performance Objectives <sup>(1)</sup>			2017–2019 Results		
	Threshold	Target	Maximum	As reported including extraordinary events	Adjusted to exclude extraordinary events	Achievement Ratio
<i>Corporate Performance Objectives and Results (in thousands of CAD)</i>						
2017 A-EBITDA <sup>(2)</sup>	\$209,600	\$262,000	\$314,000	\$267,700	\$288,600	110.2%
2018 A-EBITDA <sup>(2)</sup>	\$187,200	\$234,000	\$280,800	\$247,000	\$258,000	110.3%
2019 A-EBITDA <sup>(2)</sup>	\$(11,900)	\$(9,900)	\$(7,900)		\$900	209%
Average A-EBITDA						143%
<i>TSR Percentile Ranking compared to:</i>						
TSX Composite <sup>(3)</sup>	P25	P50	P75	Below P25		0%
Custom Performance Peer Group <sup>(3)</sup>	P25	P50	P75	Below P25		0%

(1) A-EBITDA objectives are as per the 2017, 2018 and 2019 annual budgets.

(2) A-EBITDA is a non-GAAP financial measure. Please refer to the notes on pages 38 and 39 for a detailed description of such non-GAAP financial measures.

(3) Based on the plan established and approved in 2017, which is no longer the benchmark for TSR going forward.

The reported results were reviewed and approved by the Board on February 24, 2020. As per the approved plan, A-EBITDA is weighted at 50% of the overall results and the calculated payout ratio is 150%. The relative TSR metrics versus the TSX Composite and Custom Performance Peer Group, which together are weighted at 50% of the overall results were calculated at 0% payout for the reference period. The combined overall payout for the 2017–2019 PSU award was therefore 75%.

## CEO Compensation

The Chair of the HRCC works closely with the Chairman of the Board of Directors in completing the final performance appraisal of the CEO. The Chair submits the annual performance appraisal and accompanying compensation recommendations to the HRCC for review and to the Board of Directors for approval.

In order to ensure alignment between the CEO and the rest of his senior executive team, the CEO participates in the same STIP as described in the section titled "Short-Term Incentives" starting on page 38, which includes direct weighting of the operating businesses' profitability objectives. A full discussion of the 2019 business targets, results achieved and the HRCC's evaluation of performance relative to the targets is provided in "Short-Term Incentive Plan Results" on page 44.

The Board of Directors set four strategic objectives for the CEO for 2019:

1. Progress the consolidated profitability of the business to break-even on a run rate basis as soon as possible in 2019;
2. Create a high performing organization with consideration for his own succession and recruit for key leadership roles;
3. Develop a consolidation strategy for the Loyalty Solutions and Canadian Loyalty Solutions operating business units; and
4. Instill a control culture within the Corporation through example and addressing high priority issues raised through internal audits.

At the end of the year, the HRCC assessed the CEO's performance against these objectives. In the view of the HRCC, the CEO achieved each of the goals, ensuring stability in business operations in the context of a dynamic and challenging year for the Corporation. Specifically:

1. The CEO lead and oversaw an accelerated transformation strategy which included simplifying its remaining businesses to become more efficient with a lean, agile operating structure and a scale of operations designed to achieve profitability. Despite the challenging year, the Corporation made significant progress in reducing operating expense in 2019 and achieved a state of profitability, on a run rate basis, in the second half of the year. Cost reductions included headcount reduction, negotiation of a new technology infrastructure contract, office consolidation initiatives and the revision of the travel policy.
2. The Corporation was able to achieve its financial and strategic objectives due in large part to the talent that remained through 2019. Employees effectively delivered superior results in a year filled with uncertainty, externally and internally. The Corporation was able to recruit top talent in key strategic roles in 2019 and developed a plan for succession at all levels of the Corporation.
3. Two operating businesses (Loyalty Solutions and Canadian Loyalty Solutions) were consolidated in November 2019, two (2) months ahead of schedule, to realize synergies that were identified early in the year. The two businesses were integrated from an organizational and technological perspective with numerous cost savings that have already impacted the Corporation.
4. The CEO effectively instilled a control culture within the Corporation and identified high priority issues that were promptly resolved. Business processes were reviewed to ensure they satisfied the Corporation's internal audit standards. The CEO consistently emphasized the importance of a control environment and retaliation-free reporting culture to ensure continued compliance with good governance practices.

While the HRCC and the Board of Directors assess the performance of the CEO as meeting expectations, the HRCC and the Board of Directors exercised its discretion to award the CEO a short-term incentive payout at 100% of his base salary, representing a twenty-six (26) percentage point decrease from what he would have otherwise received in light of the approved Corporate results as more fully described herein. Therefore, the result of the CEO's short-term incentive payment for 2019 is as follows:

Role	2019 Base Salary Paid (CAD)	Target Short-Term Incentive (% of base salary)	Payout Achieved (% of base salary paid)	Short-Term Incentive Paid (CAD)
CEO	\$750,000	100%	100%	\$750,000

The CEO participates in the long-term incentive program, with the same terms and conditions as described in the section "Long-Term Incentives" starting on page 41. The CEO's target award value under the long term incentive program is 250% of his base salary. His annual grant was originally provided in the form of PC which was subsequently converted to PSUs and Options when the voluntary trading restriction was lifted.

For the financial year ended December 31, 2019, the following recommendations on compensation for the CEO were submitted for review and subsequently approved by both the HRCC and the Board of Directors:

- The CEO's base salary was \$750,000, since 2018, and will remain unchanged in 2020.
- The CEO's annual short-term incentive target was 100% of salary.
- The CEO was awarded payout under the STIP in the amount of \$750,000 (100% of the base salary earned in 2019, as described above).

- The CEO was granted \$1,875,000 under the 2019 LTIP with the three-year vesting terms and conditions as described in “Long Term Incentives” starting on page 41.

### Named Executive Officer Compensation

All of Aimia’s NEOs participate in the STIP as described in “Short-Term Incentives” starting on page 38.

The CEO works closely with the Chairman of the Board and the HRCC to establish financial and individual performance objectives for each of the members of senior Management. The financial and individual performance metrics are described starting on page 40, with specific individual areas of focus aligned to each executive’s role and responsibilities. Each executive’s individual strategic objectives include specific targets that would, if made public, provide explicit identification of both the financial and strategic direction of Aimia, including strategic initiatives, and therefore provide highly competitive data to our competitors as well as inappropriate market guidance. The HRCC believes that disclosure of the specific individual strategic objectives under the STIP would seriously prejudice Aimia’s interests and significantly weaken its ability to maintain and build market leadership. As a result, these objectives are not disclosed.

The CEO develops an annual performance appraisal for each member of senior Management, based on quantitative results and a qualitative evaluation of each executive’s performance measured against the predetermined criteria set at the beginning of each fiscal year. These performance appraisals are used to determine the individual performance rating, which carries a weight of 20% of the target short-term incentive for the CFO and 30% for all other executives, including the business unit NEOs, and is presented to the HRCC for subsequent submission for approval by the Board of Directors. More detail about the NEOs’ individual performance payouts are provided in “Pay Mix” starting on page 43.

The performance objectives for both disclosed and undisclosed metrics are based on strategic activities that are aligned with Aimia’s business plan. The proportion of total compensation represented by this undisclosed component of the incentive plan is provided in the “Pay Mix” tables starting on page 43.

The following table provides additional detail on the short-term incentive calculation for each NEO for 2019. Short-term incentives were determined by using the STIP formula presented in the section “Short-Term Incentives” (the same formula that was used to determine the CEO’s short-term incentive) and also reflect any adjustments made by the Board of Directors based on their judgment and discretion.

Role	2019 Base Salary Paid (CAD)	Target Short-Term Incentive (% of base salary)	Payout Achieved <sup>(1)</sup> (% of base salary paid)	Short-Term Incentive Paid (CAD)
CFO	\$286,892	50% <sup>(2)</sup>	58%	\$167,078
Former CFO <sup>(3)</sup>	\$221,357 <sup>(4)</sup>	75%	94% <sup>(5)</sup>	\$208,518
President, APAC & COO, Loyalty Solutions <sup>(3)</sup>	\$351,598	30%	41%	\$142,397
President, Americas & CCO, Loyalty Solutions <sup>(3)</sup>	\$329,914	40%	55%	\$182,113
President, EMEA, Loyalty Solutions <sup>(3)</sup>	\$341,115	35%	47%	\$161,177

(1) Payout based upon adjusted metrics according to stated adjustment principles as presented in “Short-Term Incentive Plan Adjustments” on page 40.

(2) The CFO’s target short-term incentive increased on May 1, 2019 to 50% when promoted to CFO. It was previously set at 40% as Chief Accounting Officer. The short-term incentive paid considers time spent on each target on a prorated basis.

(3) All amounts have been converted from British Pounds, Australian dollars, US dollars and UAE Dirham to Canadian dollars using a conversion rate of \$1.7137, \$0.9138, \$1.3066 and \$0.3557, respectively, which corresponds to the exchange rate on December 31, 2019.

(4) Base salary paid to the former CFO for time worked prior to his departure on May 31, 2019.

(5) The payout ratio is based on two components. The Corporation component was calculated using the 132% payout ratio as described above in “Short-Term Incentive Plan Results” on page 44. The individual component of the former CFO was contractually set at 100%.

In addition to the short-term incentive awards described in the preceding table, each of the NEOs was granted awards under the LTIP or PC Plan respectively in 2019 as shown in the following table.

Role	Target Annual Long-Term Incentives <sup>(1)</sup>	2019 Long-Term Incentive Awards		
		Options	PSUs	
		# of Options	Exercise Price	# of PSUs
CFO	90%	75,142	\$3.25	47,903
Former CFO	125%	N/A	N/A	N/A
President, APAC & COO, Loyalty Solutions	\$110,000	N/A	N/A	N/A

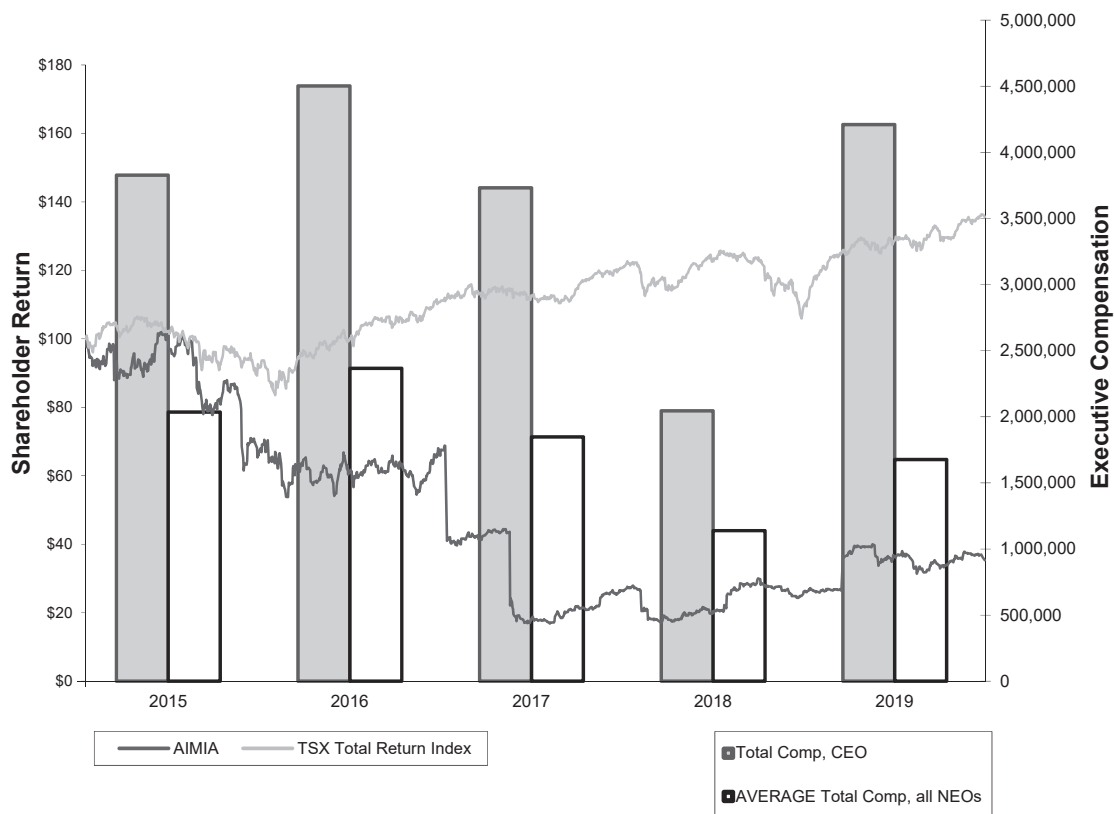
Role	Target Annual Long-Term Incentives <sup>(1)</sup>	2019 Long-Term Incentive Awards		
		Options	PSUs	
		# of Options	Exercise Price	# of PSUs
President, Americas & CCO, Loyalty Solutions	\$110,000	N/A	N/A	N/A
President, EMEA, Loyalty Solutions	\$110,000	N/A	N/A	N/A

(1) The CFO receives LTIP as a percentage of his base salary. The mix in the long-term incentive program is 40% Options and 60% PSUs. Other executives, including Ms. Faust and Messrs. Peake and Lacey, received the PC awards at a fixed Canadian dollar value.

Please refer to the Summary Compensation Table on page 50 of this Information Circular for further details on the total compensation awarded to the NEOs for the 2019 financial year.

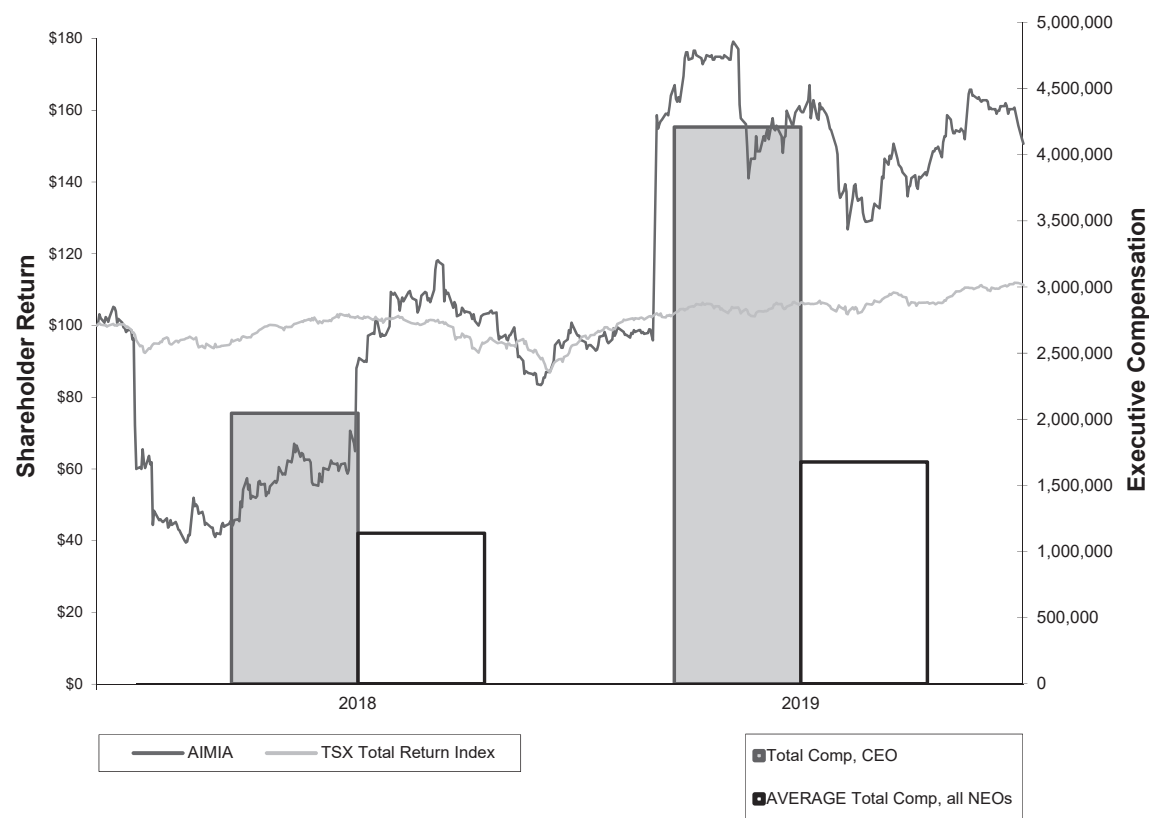
## Alignment of Executive Compensation with Shareholder Interests

The following performance graph compares the total cumulative return of a \$100 investment in Aimia's Shares made on January 1, 2015, with the cumulative return on the TSX Composite for the period beginning January 1, 2015 and ended December 31, 2019, with the compensation paid to the CEO and average compensation paid to all the NEOs, over the same period of time. It assumes reinvestment of all distributions and dividends during the covered period.



Average compensation is based on the sum of all compensation paid to NEOs as reported in Aimia's management information circulars for the years ending on December 31, 2015 through to December 31, 2019. For consistency and comparability, in years where more than five NEOs were reported, the sum of the base salary and short-term incentive (or non-equity incentive plan compensation) paid to the five highest-paid NEOs were included in the calculation. Mr. Lønnum joined the Corporation in May 2016 and as such his compensation for 2016 has been annualized. Mr. Johnston and Mr. Grafton were nominated as CEO and CFO during the 2017 financial year and their compensation has also been annualized. Mr. Duchesne and Mr. Lønnum have been excluded from the 2017 calculation. Mr. Rabe joined the Corporation in May 2018 and therefore his compensation for 2018 has been annualized. Mr. Johnston has been excluded from the 2018 calculation. Mr. Leonard was nominated as CFO during the 2019 financial year and therefore his compensation has been annualized. Mr. Grafton has been excluded from the 2019 calculation.

The following performance graph compares the total cumulative return of a \$100 investment in Aimia's Shares made on January 1, 2018, with the cumulative return on the TSX Composite for the two-year period beginning January 1, 2018 and ended December 31, 2019, with the compensation paid to the CEO and average compensation paid to all the NEOs, over the same period of time. It assumes reinvestment of all distributions and dividends during the covered period.



The Total Return to Shareholders from January 1, 2018 to December 31, 2019 was 51% on a compound annual growth basis, compared to 11% for the Canadian public company community, as represented by the S&P/TSX Composite Total Return Index. In 2019, the Corporation updated its compensation plan to further align interests between Aimia and its Shareholders. The CEO and CFO significantly increased their value at risk by converting PC awards that had been awarded previously for equity-based compensation. This change reflects our commitment to align with Shareholders' interests and is balanced against sound risk management principles and the need to retain and motivate the executive team to achieve and execute on the Corporation's vision, values and strategy.

Additionally, in 2019 the Corporation returned a record high amount of capital to Shareholders through issuer bids and dividends; the Corporation returned to common and preferred Shareholders \$307.7 million through issuer bids, demonstrating the Corporation's commitment to return capital to Shareholders while still maintain flexibility to execute on the Corporation's future strategic direction.

### Other Executive Compensation Disclosure

#### Summary Compensation Table

The following table sets forth the annual total compensation for the financial years ended December 31, 2019, December 31, 2018 and December 31, 2017 for the CEO, the CFO, the former CFO and three other most highly compensated members of senior Management at Aimia.



Name and Principal Position	Year	Salary (\$)	Share-Based Awards <sup>(1)(2)</sup> (\$)	Option-Based Awards <sup>(3)</sup> (\$)	Non-Equity Incentive Plan Compensation - Short-Term Incentive Plans <sup>(4)</sup> (\$)	Pension Value <sup>(5)</sup> (\$)	All Other Compensation <sup>(6)</sup> (\$)	Total Compensation (\$)
Jeremy Rabe CEO	2019	750,000	1,625,001	749,999	750,000	106,593	228,136 <sup>(6)(a)</sup>	4,209,730
	2018	485,795	-	-	625,705	57,867	701,701	1,871,068
	2017	-	-	-	-	-	-	-
Steven Leonard <sup>(7)</sup> VP Finance and Chief Accounting Officer	2019	286,892	155,685	103,790	167,078	41,915	189,936 <sup>(6)(b)</sup>	945,296
	2018	282,652	-	-	280,102	26,676	97,586	687,016
	2017	249,430	110,004	-	89,795	29,792	38,242	517,263
Mark Grafton <sup>(8)(9)</sup> Former CFO	2019	221,357	-	-	208,518	22,899	3,497,310 <sup>(6)(c)</sup>	3,950,084
	2018	517,861	-	-	447,000	51,786	31,939	1,048,586
	2017	379,707	90,004	60,000	192,424	37,971	27,174	787,281
Richard Peake <sup>(10)</sup> President, APAC & Chief Operations Officer, Loyalty Solutions	2019	351,589	-	-	447,505 <sup>(4)(a)</sup>	18,977	491,388 <sup>(6)(d)</sup>	1,309,469
	2018	368,882	-	-	261,716	19,453	130,255	780,305
	2017	371,999	110,004	-	124,513	19,428	94,534	720,478
Cindy Faust <sup>(11)</sup> President, Americas & Chief Commercial Officer, Loyalty Solutions	2019	329,914	-	-	467,069 <sup>(4)(b)</sup>	9,898	123,486 <sup>(6)(e)</sup>	930,367
	2018	343,341	-	-	206,300	10,300	9,160	569,102
	2017	283,189	34,997	-	111,930	6,869	4,915	441,900
Paul Lacey <sup>(12)</sup> President, EMEA, Loyalty Solutions	2019	341,115	-	-	451,629 <sup>(4)(c)</sup>	18,477	163,322 <sup>(6)(f)</sup>	974,544
	2018	354,264	-	-	262,072	21,052	41,320	678,709
	2017	316,295	110,004	-	137,138	16,120	40,364	619,921

- (1) This column shows the compensation value that was allocated to PSUs and RSUs granted in the applicable year.
- (2) For the year ended December 31, 2019 the number of PSUs awarded was determined by taking the target PSU values awarded and dividing them by \$3.25, which is the average closing price of the Shares on the TSX for August 16 and 19 – 22, 2019, the five (5) trading day period preceding the grant date.
- (3) The number of Options granted to the CEO and CFO was determined by taking the target Option award value and dividing it by \$1.38, the estimated fair market value on the date of grant. The assumptions used to determine the fair value of Options are based on the binomial Options pricing model as follows: for the Options granted to NEOs, exercise price: \$3.25, which represents the average closing price of the Shares on the TSX for August 16 and 19 – 22, 2019, the five (5) trading day period preceding the grant date; risk-free rate: 1.33%; dividend yield: 0%; Share price expected volatility: 33.1%; Option life: seven (7) years. This valuation is slightly different from the one used to determine the stock-based compensation expense recorded in Aimia's financial statements for the year ended December 31, 2019 because the full seven-year Option term is used to establish the compensation value of the Options while expected life of 5.25 years is used to calculate the accounting value for expensing purposes, the dividend yield considers the three-year average share price and the stock price considers the one-year average to the date of the grant. For accounting purposes, the estimated fair value of an Option as of the date of grant was \$1.02.
- (4) The amounts in this column are reported for the fiscal year in which they were earned, or awarded in the case of the PC awards.
- (4)(a) The amount in this column for Mr. Peake includes a payment of \$195,108 under the Profit Sharing Plan and an award of \$110,000 under the PC Plan.
- (4)(b) The amount in this column for Ms. Faust includes a payment of \$174,956 under the Profit Sharing Plan and an award of \$110,000 under the PC Plan.
- (4)(c) The amount in this column for Mr. Lacey includes a payment of \$180,452 under the Profit Sharing Plan and an award of \$110,000 under the PC Plan.
- (5) This column includes the annual compensatory value from the Corporation retirement plans. Please refer to the Pension Plan Benefits – Defined Contribution Plan Table below.
- (6) "All other compensation" represents perquisites and other personal benefits, which in the aggregate amount to \$50,000 or more, or are equivalent to 10% or more of a NEO's total salary for the applicable fiscal year. The type and amount of each perquisite, the value of which exceeds 25% of the total value of perquisites, is separately disclosed for each NEO (if applicable).
- (6)(a) Includes a benefit covering tuition fees for his children, representing an aggregate amount of \$137,234 and a flexible perquisites allowance amount of \$70,000, with the balance representing the aggregate value of other personal benefits.
- (6)(b) Includes an aggregate value of perquisites and other personal benefits, including the payout of a retention bonus granted in 2017 of \$148,392 with the balance representing the value of dividend equivalents in the form of additional RSUs and PSUs credited during the financial year to Mr. Leonard's accounts consistent with the terms of the SUP which are equivalent to the dividends paid on Shares, representing an aggregate amount of \$6,574.
- (6)(c) Includes an aggregate value of perquisites and other personal benefits, including \$1,964,963 related to one-time separation payments at his termination, aligned with his employment agreement and the payout of a retention bonus granted in 2017 of \$1,062,513 with the balance representing the value of dividend equivalents in the form of additional RSUs and PSUs credited during the financial year to Mr. Grafton's accounts consistent with the terms of the SUP which are equivalent to the dividends paid on Shares, representing an aggregate amount of \$6,624.
- (6)(d) Includes an aggregate value of perquisites and other personal benefits, including the payout of a retention bonus granted in 2017 of \$355,993 with the balance representing the value of dividend equivalents in the form of additional RSUs and PSUs credited during the financial year to Mr. Peake's accounts consistent with the terms of the SUP which are equivalent to the dividends paid on Shares, representing an aggregate amount of \$6,898.

- (6)(e) Includes an aggregate value of perquisites and other personal benefits, including the payout of retention bonus granted in 2017 of \$110,244 with the balance representing the value of dividend equivalents in the form of additional PSUs credited during the financial year to Ms. Faust's account consistent with the terms of the SUP which are equivalent to the dividends paid on Shares, representing an aggregate amount of \$1,681.
- (6)(f) Includes an aggregate value of perquisites and other personal benefits, including the payout of retention bonus granted in 2017 of \$112,869 with the balance representing the value of dividend equivalents in the form of additional PSUs credited during the financial year to Mr. Lacey's account consistent with the terms of the SUP which are equivalent to the dividends paid on Shares, representing an aggregate amount of \$5,284.
- (7) Mr. Leonard became CFO of the Corporation on May 1, 2019.
- (8) Mr. Grafton stepped down as CFO on May 1, 2019 and departed from Aimia on May 31, 2019.
- (9) All amounts reported for the financial year 2019 have been converted using a conversion rate of \$1.7137 per GBP, which corresponds to the exchange rate on December 31, 2019; all amounts reported for the financial year 2018 have been converted using a conversion rate of \$1.7301 per GBP, which corresponds to the exchange rate on December 31, 2018; all amounts reported for the financial year 2017 have been converted using a conversion rate of \$1.6932 per GBP, which corresponds to the exchange rate on December 31, 2017.
- (10) All amounts reported for the financial year 2019 have been converted using a conversion rate of \$0.9138 per AUD, which corresponds to the exchange rate on December 31, 2019; all amounts reported for the financial year 2018 have been converted using a conversion rate of \$0.9587 per AUD, which corresponds to the exchange rate on December 31, 2018; all amounts reported for the financial year 2017 have been converted using a conversion rate of \$0.9796 per AUD, which corresponds to the exchange rate on December 31, 2017.
- (11) All amounts reported for the financial year 2019 have been converted using a conversion rate of \$1.3066 per USD, which corresponds to the exchange rate on December 31, 2019; all amounts reported for the financial year 2018 have been converted using a conversion rate of \$1.3634 per USD, which corresponds to the exchange rate on December 31, 2018; all amounts reported for the financial year 2017 have been converted using a conversion rate of \$1.2551 per USD, which corresponds to the exchange rate on December 31, 2017.
- (12) All amounts reported for the financial year 2019 have been converted using a conversion rate of \$0.3557 per AED, which corresponds to the exchange rate on December 31, 2019; all amounts reported for the financial year 2018 have been converted using a conversion rate of \$0.3712 per AED, which corresponds to the exchange rate on December 31, 2018; all amounts reported for the financial year 2017 have been converted using a conversion rate of \$0.3416 per AED, which corresponds to the exchange rate on December 31, 2017.

### Incentive Plan Awards

The following table indicates for each of the NEOs all awards outstanding at the end of the 2019 financial year.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options <sup>(1)</sup> (\$)	Number of Shares or Units of Shares that have not Vested <sup>(2)</sup> (#)	Market or Payout Value of Share-Based Awards that have not Vested <sup>(3)</sup> (\$)	Market or Payout Value of Vested Share-based Awards not Paid out or Distributed <sup>(4)</sup> (\$)
<b>Jeremy Rabe</b> <sup>(5)(6)</sup> CEO	542,986	3.25	August 23, 2026	–	485,819	1,748,948	N/A
<b>Steven Leonard</b> <sup>(6)</sup> VP Finance and Chief Accounting Officer	75,142	3.25	August 23, 2026	–	60,751	218,704	N/A
	21,207	13.30	March 10, 2022	–			
	15,002	18.15	March 10, 2021	–			
	14,860	15.62	March 7, 2020	–			
<b>Mark Grafton</b> Former CFO	-	N/A	N/A	–	8,467	30,481	N/A
<b>Richard Peake</b> President, APAC & Chief Operations Officer, Loyalty Solutions	21,207	13.30	March 10, 2022	–	12,848	46,253	6,126
	15,002	18.15	March 10, 2021	–			
	14,860	15.62	March 7, 2020	–			
<b>Cindy Faust</b> President, Americas & Chief Commercial Officer, Loyalty Solutions	N/A	N/A	N/A	–	4,088	14,715	N/A
<b>Paul Lacey</b> President, EMEA, Loyalty Solutions	21,207	13.30	March 10, 2022	–	12,848	46,253	N/A
	15,002	18.15	March 10, 2021	–			

(1) The value of unexercised in-the-money Options at financial year-end is calculated on outstanding vested and unvested Options and based on the difference between the closing price of the Shares on the TSX December 31, 2019 (\$3.60) and the exercise price.

(2) The numbers shown in this column are the unvested balances of PSUs in the individual accounts as at December 31, 2019. The numbers include PSUs that were approved for vesting by the Board of Directors on February 24, 2020, on the recommendation of the HRCC.

(3) The amounts shown in this column are the product of the total number of unvested PSUs, including dividends, held in the individual accounts as at December 31, 2019 multiplied by the closing price of the Shares on the TSX as of December 31, 2019 (\$3.60), assuming target performance metrics will be met. The actual number of PSUs that could vest is subject to each NEO's continued employment up to the end of the respective cycles, and achievement of Aimia's performance targets for the respective cycles and the Board's approval.

- (4) The amounts shown in this column are the product of the total number of vested DSUs that have not been paid out or distributed as at December 31, 2019 multiplied by the closing price of the Shares on the TSX as of December 31, 2019 (\$3.60).
- (5) Mr. Rabe was appointed as CEO while a voluntary trading restriction was in effect at Aimia. Therefore, his contractually agreed signing bonus in the form of PSUs could not be granted until the trading restriction was lifted. These PSUs were granted to Mr. Rabe on June 12, 2019.
- (6) Messrs. Rabe and Leonard's PC awards were cancelled and replaced by Options and PSUs which were granted on August 23, 2019.

### ***Incentive Plan Awards – Value Vested or Earned during the Year***

The following table indicates for each of the NEOs the value on vesting of all awards and the short-term incentive payout during the 2019 financial year.

<b>Name</b>	<b>Option-Based Awards Value Vested During the Year<sup>(1)</sup> (\$)</b>	<b>Share-Based Awards Value Vested During the Year<sup>(2)</sup> (\$)</b>	<b>Non-Equity Incentive Plan Compensation – Value Earned During the Year<sup>(3)</sup> (\$)</b>
<b>Jeremy Rabe</b> CEO	–	–	750,000
<b>Steven Leonard</b> CFO	–	57,944	167,078
<b>Mark Grafton</b> Former CFO	–	66,942	208,518
<b>Richard Peake</b> President, APAC & Chief Operations Officer, Loyalty Solutions	–	58,268	447,505
<b>Cindy Faust</b> President, Americas & Chief Commercial Officer, Loyalty Solutions	–	10,584	467,069
<b>Paul Lacey</b> President, EMEA, Loyalty Solutions	–	33,261	451,629

- (1) The amounts in this column represent the product of the number of Options that vested during the year ended on December 31, 2019 multiplied by the difference between the closing price of the Shares on the TSX on the vesting dates, namely on February 28, 2019 (\$3.80), March 7, 2019 (\$3.78) and March 10, 2019 (\$3.77), and the exercise price. All such Options were under water.
- (2) The amounts shown in this column include the value, calculated using the average closing price of the Shares on the TSX for the five (5) trading days preceding the payment date, of the vested PSUs awarded to Ms. Faust and Messrs. Leonard, Grafton, Peake and Lacey on March 7, 2016 that vested on May 30, 2019 pursuant to the terms of their grant. The amounts include the sum of the value of (i) vested PSUs, (ii) vested RSUs and (iii) the value of the dividend equivalents in the form of additional DSUs, which accrued and vested during the financial year (if applicable).
- (3) The amounts in this column represent the amounts earned under the STIP and the Profit Sharing Plan annual short-term incentives and Profit Sharing earned, or awarded in the case of the PC awards, if applicable, with respect to the 2019 financial year as presented in the Summary Compensation Table on page 50.

### ***Securities Authorized for Issuance under Equity Compensation Plan***

The LTIP is the only compensation plan under which equity securities of Aimia have been authorized for issuance. Please see "Appendix B LONG-TERM INCENTIVE PLANS" for a description of the plan.

The following table outlines the number of Shares to be issued upon the exercise of outstanding Options under the LTIP, the weighted average exercise price of the outstanding Options, and the number of Shares available for future issuance under the LTIP, all as at December 31, 2019.

During 2019, approximately 1.6 million Shares were released back into the pool available for future issuance on the departure of employees from the business and Option expiration.

<b>Plan Category</b>	<b>(a) Number of Securities to be Issued upon Exercise of Outstanding Options as at December 31, 2019</b>	<b>(b) Weighted-Average Exercise Price of Outstanding Options as at December 31, 2019</b>	<b>Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding securities reflected in column (a)) as at December 31, 2019</b>
Equity Compensation Plans Approved by Securityholders	3,806,465	\$11.08	10,662,454
Equity Compensation Plans Not Approved by Securityholders	–	\$0	–
<b>TOTAL</b>	<b>3,806,465</b>	<b>\$11.08</b>	<b>10,662,454</b>

## Pension Plan Benefits

The following table sets forth the changes in the aggregate accumulated values in the Defined Contribution Plan and the SERP for each NEO in the past fiscal year.

### Defined Contribution Plan Table

Name	Accumulated Value at Start of Year (\$)	Compensatory <sup>(1)</sup> (\$)	Accumulated Value at Year End (\$)
<b>Jeremy Rabe</b> CEO	69,493	106,593	199,101
<b>Steven Leonard</b> CFO	346,488	41,915	435,188
<b>Mark Grafton</b> <sup>(2)</sup> Former CFO	643,240	22,899	N/A <sup>(3)</sup>
<b>Richard Peake</b> <sup>(2)(4)</sup> President, APAC & Chief Operations Officer, Loyalty Solutions	N/A	18,977	N/A
<b>Cindy Faust</b> <sup>(2)</sup> President, Americas & Chief Commercial Officer, Loyalty Solutions	508,749	9,898	660,358
<b>Paul Lacey</b> <sup>(2)</sup> President, EMEA, Loyalty Solutions	79,747	18,477	98,224

(1) Employer contribution in 2019 in a pension plan as described under "Retirement Plans" on page 42 and below. For Messrs. Rabe and Leonard, this includes the employer contribution under the Defined Contribution Plan and SERP, as well as investment returns under the SERP.

(2) All amounts have been converted from British Pounds, Australian dollars, US dollars and UAE Dirham to Canadian dollars using a conversion rate of \$1.7137, \$0.9138, \$1.0366 and \$0.3557, respectively, which correspond to the exchange rates in effect on December 31, 2019.

(3) The value on December 31, 2019 is unknown due to Mr. Grafton's departure.

(4) Australian Superannuation Funds are personally held therefore the total value is unavailable.

All NEOs based in Canada participate in Aimia's Defined Contribution Plan. Under this plan, each NEO contributes 7.5% of their base salary to the plan annually and Aimia makes a matching contribution equal to 7.5% of such NEO's base salary on an annual basis.

In the event that the combined employer and employee contributions exceed the money purchase limit as defined in the *Income Tax Act* (Canada), Aimia will contribute 15% of the NEO's pensionable earnings (less the combined amount contributed to the Defined Contribution Plan) to the SERP.

Mr. Grafton, who was based in the United Kingdom, participated in Aimia's U.K. Group Self Invested Pension Plan. Under this plan, Mr. Grafton contributed 5% of his base salary to the plan annually by salary sacrifice and Aimia made a contribution of 10% of his base salary on an annual basis.

Mr. Peake, who is based in Australia, participates in the Australian Superannuation, where all corporations are required to contribute 9.5% of their employee's base salary into the employee's personal fund for retirement savings purposes. All Australian employees participate in this plan. There is no supplemental retirement plan for Australian-based senior Management.

Ms. Faust, who is based in the United States, participates in a 401(k) retirement savings plan established for all eligible US-based employees. Under the plan and subject to IRS annual contribution maximums, executives may contribute up to 75% of their base pay. The Corporation matches 50% of executives' contributions up to a maximum of 6% of base pay. There is no supplemental retirement plan for US-based senior Management.

Mr. Lacey, who is based in Dubai, does not have a formal retirement savings scheme. In the UAE, it is required to maintain a Service Gratuity, in lieu of pension, which provides a lump-sum value payable upon termination with the Corporation. The program does not provide for any service gratuity before one (1) year of service, twenty-eight (28) days per year of service for years one (1) through four (4) of service and thirty (30) days for all years above five (5) years of service.

## Termination and Change of Control Benefits

### Termination Without Cause

All of the NEOs benefit from severance arrangements upon termination without cause.

If the employment of a NEO is terminated without cause, the NEO is entitled to a lump sum severance payment of base salary (the “**Severance Period**”) as contractually agreed in their employment agreements. Messrs. Rabe, Leonard and Peake are also entitled to a lump sum cash amount equal to the product of (i) the number of months included in the Severance Period divided by twelve (12); and (ii) the average amount of the short-term incentive which was paid to the NEO in respect of each of the two (2) calendar years preceding the year of termination. In addition, within thirty (30) days following the approval by the Board of Directors of Aimia’s audited annual financial statements for the year during which the NEO was terminated, and provided that the corporate performance during the year of such termination results in the payment of short-term incentives and the NEO would have been normally entitled to a short-term incentive, Ms. Faust and Messrs. Rabe, Leonard and Peake will be entitled to an amount equal to the target short-term incentive for the calendar year of such termination, adjusted for individual and financial goal outcomes as appropriate, multiplied by the number of days from January 1 of the calendar year of such termination to the date of termination, divided by 365. Furthermore, Messrs. Rabe, Leonard and Peake will continue to receive basic health and dental benefits and Messrs. Rabe and Leonard will continue to receive life insurance benefits, as well as an annual spending perquisites allowance until the earlier of the expiry of the Severance Period or the date the NEO secures alternate employment with comparable perquisites. Messrs. Rabe and Leonard shall also be deemed to accumulate service during the Severance Period for purposes of the SERP and Defined Contribution Plan and the NEO and Aimia shall continue to make the required contributions to the SERP and Defined Contribution Plan during the Severance Period, in accordance with the terms of the plans.

Ms. Faust is entitled to a lump sum payment equivalent to the Severance Period as contractually agreed in her employment agreement as well as an amount equal to the target short-term incentive for the calendar year of her termination calculated and paid under the conditions described in the previous paragraph.

Mr. Lacey is entitled to a 6-month notice period as contractually agreed in his employment agreement and entitled to the Service Gratuity payment accumulated throughout his service at the Corporation.

All of the agreements for the NEOs described above provide for non-compete and non-solicitation restrictions upon termination of employment.

#### *Change in Control Policy*

Aimia’s change in control policy, adopted by the Board of Directors on June 19, 2008, and last amended August 10, 2017 (the “**Change in Control Policy**”), is designed to (a) retain Aimia’s most senior executives (each, a “**Specified Executive**”) through a period of potential uncertainty; (b) enhance the value of Aimia and preserve value for Shareholders; (c) preserve the neutrality of the Specified Executives in negotiating and executing a potential Change in Control (as defined in the Change in Control Policy) transaction; (d) ensure that the Specified Executives’ focus is on the best potential outcome for Shareholders; and (e) provide certain arrangements for Specified Executives whose employment with Aimia is terminated following a Change in Control. The Change in Control Policy provides for a “double trigger” approach and no payments or incentive awards vesting acceleration is triggered solely as a result of a Change in Control. Currently, only the CEO and CFO qualify for this treatment per the eligibility definition as set out in the policy.

The Change in Control Policy provides that in the event of a Specified Executive’s Termination Due to a Change in Control (defined in the Change in Control Policy as termination without cause during the period commencing thirty (30) days prior to the Change in Control and ending on the date which is twenty-four (24) months after the Change in Control or resignation for good reason (resignation following a substantive and material unilateral change in the terms of employment) within twenty-four (24) months after the Change of Control), the Specified Executive shall be entitled to receive (a) an amount equal to the Specified Executive’s accrued but unpaid annual salary for the period to and including the termination date, together with an amount equal to any accrued but unused vacation entitlement; (b) an amount equal to the short-term incentive the Specified Executive would be entitled to receive, pro-rated until the termination date; (c) a lump sum equal to the Specified Executive’s annual salary for a period equal to the product of: (A) the greater of (i) twelve (12) months, with an additional month per year of continuous service exceeding twelve (12) years, and (ii) the number of months used to calculate the Specified Executive’s severance entitlement or payment in lieu of notice under the Specified Executive’s employment agreement; and (B) one and a half, up to an all-inclusive maximum period of twenty-four (24) months (such product, the “**CIC Severance Period**”); (d) a lump sum equal to, the product of (A) the Specified Executive’s average short-term incentive paid in the last two (2) fiscal years prior to the Change in Control by (B) the number of months included in the CIC Severance Period of such Specified Executive, divided by twelve (12); (e) the perquisites listed in the Specified Executive’s employment agreement, for a period equivalent to the earlier of the end of the CIC Severance Period or the date the Specified Executive secures alternate employment with comparable perquisites; (f) coverage under all group, life, medical, dental, supplementary life, annual health spending and similar account benefits listed in the Specified Executive’s employment agreement for a period equivalent to the earlier of the end of the CIC Severance Period or the date the Specified Executive secures alternate employment with comparable benefits; (g) reimbursement for all expenses incurred, in accordance with Aimia’s expense reimbursement policy; and (h) subject to the terms of any applicable indemnification agreements, maintenance of coverage for the maximum extended reporting period available under any directors’ and officers’ liability insurance that is in place at the time of the termination. The Specified Executive shall also be deemed to accumulate service during the CIC Severance Period for purposes of the SERP and Defined Contribution Plan and the Specified Executive and Aimia shall continue to make the required contributions to the SERP and Defined Contribution Plan during the CIC Severance Period, in accordance with the terms of the plans. Such entitlements under the Change in Control Policy are conditional upon the Specified Executive’s compliance with obligations related to loyalty, confidentiality, non-disclosure, ownership of intellectual property, files and other property as well as obligations related to non-competition and non-solicitation for the duration of the severance period.



In the event of a Specified Executive's Termination Due to a Change in Control, all Options, PSU and RSU awards granted pursuant to the long-term incentive program held by the Specified Executive shall be accelerated and become fully vested; and the Specified Executive shall be entitled to payments under any deferred compensation, pension or supplementary retirement plans offered by Aimia, to the extent the Specified Executive participates in such plans and subject to the terms contained therein.

*Incremental Benefits Payable Upon the Occurrence of Certain Events, as of December 31, 2019*

The following table presents the estimated incremental benefits that would have been payable to the NEOs had certain events, as indicated therein, occurred on December 31, 2019. In all instances, the value of long-term incentives is estimated based on the closing price of the Shares on the TSX as of December 31, 2019 (\$3.60). All values for Mr. Peake have been converted from Australian dollars to Canadian dollars at an exchange rate of \$0.9138, all values for Ms. Faust have been converted from US dollars to Canadian dollars at an exchange rate of \$1.3066 and all values for Mr. Lacey have been converted from UAE Dirham to Canadian dollars at an exchange rate of \$0.3557, which in each case corresponds to the exchange rate on December 31, 2019.

Event as of December 31, 2019	Jeremy Rabe CEO	Steven Leonard CFO	Richard Peake President, APAC & COO, Loyalty Solutions	Cindy Faust President, Americas & CCO, Loyalty Solutions	Paul Lacey President, EMEA, Loyalty Solutions
<b>Resignation (other than for good reason) and Termination with Cause</b>					
Access to accrued obligations and forfeiture of unvested awards under the long-term incentive program					
<b>Retirement</b>					
Full vesting of PSUs <sup>(1)</sup>	Not eligible for retirement	Not eligible for retirement	Not eligible for retirement	Not eligible for retirement	Not eligible for retirement
<b>Termination without cause or resignation for good reason</b>					
Pro-rata vesting of PSUs <sup>(2)</sup>	—	—	—	—	—
Severance <sup>(3)(4)</sup>	\$4,831,680	\$550,700	\$565,516	\$559,031	\$207,224
Forfeiture of unvested Options, if any <sup>(5)</sup>	—	—	—	—	—
	\$4,831,680	\$550,700	\$565,516	\$559,031	\$207,224
<b>Resignation (other than for good reason) following a Change in Control</b>					
Severance <sup>(6)</sup>	N/A	N/A	N/A	N/A	N/A
Pro-rata vesting of PSUs	N/A	N/A	N/A	N/A	N/A
Accelerated Vesting of Options <sup>(7)</sup>	N/A	N/A	N/A	N/A	N/A
	\$—	\$—	\$—	\$—	\$—
<b>Termination Due to a Change in Control (including Resignation for good reason)</b>					
Severance <sup>(8)</sup>	5,456,680	\$826,051	N/A	N/A	N/A
Accelerated vesting of Options <sup>(9)</sup>	\$190,045	\$26,300	N/A	N/A	N/A
Full vesting of PSUs/RSUs <sup>(1)</sup>	\$1,748,948	\$172,451	N/A	N/A	N/A
Acceleration of DSUs <sup>(10)</sup>	—	—	N/A	N/A	N/A
	\$7,395,673	\$1,024,802	N/A	N/A	N/A

(1) The amount represents the full vesting of all PSUs unvested on December 31, 2019, assuming target performance metrics would have been met.

(2) In case of involuntary termination, PSUs and RSUs vest on a pro-rata basis subject to any performance conditions, if applicable, with payouts on the normal vesting date.

(3) The estimated severance benefits are calculated based on 2019 annual base salary, the two-year average short-term incentive paid for fiscal years 2018 and 2019 and health benefits for Messrs. Rabe, Leonard and Peake, as well as the perquisites and Aimia's contributions to the Defined Contribution Plan and SERP or retirement fund paid in 2019 for Messrs. Rabe and Leonard. For Ms. Faust and Mr. Lacey, the calculation is based on their 2019 base salary.

(4) The NEOs (with the exception of Mr. Lacey) are also entitled to the payment of any accrued but unpaid annual salary and pro-rated short-term incentive for the period up to and including the termination date. For 2019, these amounts are fully disclosed within the amounts included in the Summary Compensation Table and therefore not included in the estimated severance benefits presented in this table.

(5) Unvested Options outstanding at the termination date would be forfeited. Any exercisable Options outstanding at the termination date would expire on the earlier of 30 days after the termination date and the original expiry date.

(6) In the event of their resignation other than for good reason, NEOs are not entitled to any severance benefits. Furthermore, any outstanding unvested PSUs, RSUs, DSUs and Options would be forfeited as of the resignation date.



- (7) There is no acceleration of Options upon resignation (other than for good reason) following a Change in Control.
- (8) In the event of their Termination Due to a Change in Control as defined in the Change in Control Policy and described under "Compensation Discussion & Analysis – Other Executive Compensation Disclosure – Termination and Change of Control Benefits – Change in Control Policy", Specified Executives would be entitled to severance benefits for a period of the greater of (i) twelve (12) months plus one month per year of service in excess of twelve (12) years and (ii) the contractual Severance Period, in each case, multiplied by 1.5, up to a maximum of twenty-four (24) months.
- (9) Had a Termination Due to a Change in Control, as defined in the Change in Control Policy and described under "Compensation Discussion & Analysis – Other Executive Compensation Disclosure – Termination and Change of Control Benefits – Change in Control Policy" occurred on December 31, 2019, any outstanding unvested Options held by all NEOs would have vested, whether or not any applicable performance condition had been met.
- (10) Neither the DSU Plan nor the Change in Control Policy provide for the accelerated vesting of DSUs pursuant to a Termination Due to a Change in Control as defined in the Change in Control Policy and described under "Compensation Discussion & Analysis – Other Executive Compensation Disclosure – Termination and Change of Control Benefits – Change in Control Policy" above. The Board could, however, make such provision for the protection of the rights of the participants, as the Board in its discretion considers appropriate in the circumstances.

## Compensation of Directors

The compensation structure of the Board of Directors is designed to attract and retain highly talented and experienced Directors, with a view to contributing to the long-term success of the Corporation. This requires that Directors be adequately and competitively compensated. The Board of Directors has determined that the Directors of the Corporation should be compensated in a form and amount which is customary for comparable corporations, taking into account time commitment, responsibility and trends in director compensation. As part of its mandate, the Governance and Nominating Committee reviews on a regular basis the adequacy and form of Director compensation.

### Summary of Board Compensation

On May 14, 2019, following a review of Director compensation conducted by Meridian Compensation Partners, the then Board of Directors' independent compensation advisers, the Board of Directors, upon recommendation from the Governance and Nominating Committee, approved certain amendments to Director compensation to more closely align with the Corporation's new Compensation Peer Group. The amendments, which among other things replaced attendance fees with annual retainers, became effective on June 28, 2019. As such, as of March 27, 2020, Director compensation is as follows:

- Directors receive a base annual retainer of \$65,000 while the Chairman of the Board receives an annual retainer of \$160,000.
- Except for the Chairman of the Board who is granted \$110,000 in DSUs per year (issued quarterly), Directors are granted \$70,000 in DSUs per year (issued quarterly).
- Directors can elect yearly to receive up to 100% of their base annual retainer, Committee retainer and meeting fees in DSUs. Please refer to "Appendix B LONG TERM INCENTIVE PLANS" for a description of the DSU Plan.

Directors are reimbursed for travel and out-of-pocket expenses incurred in attending meetings of the Board of Directors or the Committees, as applicable.

### Director Share Ownership Requirements

The Corporation's shareholding guidelines for Directors (the "**Shareholding Guidelines for Directors**") were adopted by the Board of Directors on November 14, 2008 and amended on January 1, 2016 and are designed to promote Share ownership by Directors to better align their interests with those of Shareholders.

The Shareholding Guidelines for Directors require Directors to hold Shares or DSUs with an aggregate minimum value (the "**Minimum Share Ownership Value for Directors**") at least equal to five (5) times the annual retainer within a five-year period from the date of first appointment to the Board. Directors are not permitted to purchase financial instruments that are designed to hedge or offset a decline in value of the Corporation's securities granted as compensation or held, directly or indirectly, by Directors.

The extent to which the Minimum Share Ownership Value for Directors is achieved will be evaluated annually. Until the Minimum Share Ownership Value for Directors has been achieved, 50% of a Director's annual base retainer will be paid in DSUs.

## Director Compensation Table

As stated above, on May 14, 2019, following a review of Director compensation conducted by Meridian Compensation Partners, the then Board of Directors' independent compensation advisers, the Board of Directors, upon recommendation from the Governance and Nominating Committee, approved certain amendments to Director compensation to more closely align with the Corporation's new Compensation Peer Group. The amendments became effective on June 28, 2019 and included the following:

- A reduction in the total compensation of the Chairman of the Board from \$361,000 to \$270,000, as follows:
  - a reduction in the annual retainer of the Chairman of the Board from \$200,000 to \$160,000; and
  - a reduction in the DSU grant from \$161,000 to \$110,000.
- The elimination of meeting attendance fees, which were set at \$1,500 per meeting.
- The elimination of standing Committee membership retainers (other than for the Chairs of the standing Committees).
- The elimination of Aeroplan Program membership privileges.
- An increase in the annual base retainer for Directors, other than the Chairman, from \$50,000 to \$65,000, and in the DSU grant from \$50,000 to \$70,000.

The following table provides details of the compensation received by Directors during the 2019 financial year and reflects the aforementioned amendments to Director compensation that took effect midway during the year:

Name <sup>(A)</sup>	Fees Received		Share-Based Awards <sup>(3)</sup> (\$)	All Other Compensation <sup>(4)</sup> (\$)	Total (\$)
	Retainer <sup>(1)</sup> (\$)	Attendance <sup>(2)</sup> (\$)			
Robert E. Brown <sup>(5)</sup>	74,555	-	40,250 <sup>(10)</sup>	41,016	155,821
Roman Doroniuk <sup>(5)</sup>	18,250	33,000	12,500 <sup>(10)</sup>	24,530	88,280
W. Brian Edwards <sup>(6)</sup>	28,000	57,000	25,000	15,320	125,320
Thomas D. Gardner	73,240	67,500 <sup>(7)</sup>	60,000	17,861 <sup>(11)</sup>	218,601
Emma Griffin <sup>(6)</sup>	34,603	78,000 <sup>(7)</sup>	25,000 <sup>(10)</sup>	38,599 <sup>(11)</sup>	176,202
Dieter Jentsch <sup>(8)</sup>	30,140	-	32,459	-	62,599
Robert (Chris) Kreidler	76,353	76,500 <sup>(7)</sup>	60,000	17,861 <sup>(11)</sup>	230,714
William McEwan	151,414	58,500 <sup>(7)</sup>	107,750 <sup>(10)</sup>	16,444	334,108
Frederick Mifflin <sup>(8)</sup>	30,140	-	32,459	5,000 <sup>(11)</sup>	67,599
Philip Mittleman	61,500	45,000	60,000	12,861 <sup>(11)</sup>	179,361
Linda Kuga Pikulin <sup>(9)</sup>	38,223	-	35,000	5,000 <sup>(11)</sup>	78,223
<b>TOTAL</b>	<b>616,418</b>	<b>415,500</b>	<b>490,418</b>	<b>194,491</b>	<b>1,716,827</b>

(A) As Chief Executive Officer, Jeremy Rabe received no remuneration for serving as a Director in 2019. His compensation as Chief Executive Officer is disclosed under "Compensation Discussion and Analysis – 2019 Compensation – CEO Compensation" and the Summary Compensation Table.

(1) These amounts represent all retainer fees (Board and Committees, as the case may be), including those paid in DSUs.

(2) These amounts represent all attendance fees, including those paid in DSUs. Meeting attendance fees were eliminated effective as of June 28, 2019.

(3) These amounts represent the total value of the DSUs granted to each Director.

(4) These amounts represent the value attributed to Aeroplan program membership privileges.

(5) Messrs. Brown and Doroniuk retired from the Board on March 28, 2019.

(6) Mr. Edwards and Ms. Griffin did not stand for election as directors at the 2019 annual meeting of shareholders and thus ceased to be directors on June 28, 2019.

(7) These amounts include fees received for attendance at meetings of the Strategic Review Special Committee (\$1,500 per meeting).

(8) Messrs. Jentsch and Mifflin were appointed to the Board on July 15, 2019.

(9) Ms. Kuga Pikulin was appointed to the Board on June 28, 2019.

(10) Includes dividends declared in May 10, 2017 to Shareholders of record as of June 16, 2017 but paid on March 29, 2019.

(11) Includes a special one-time stipend paid to each of Ms. Kuga Pikulin (\$5,000) and Messrs. Gardner (\$10,000), Kreidler (\$10,000), Mifflin (\$5,000) and Mittleman (\$5,000), in recognition of the significantly increased volume of additional work performed by these directors.

## Outstanding Share-Based Awards

The table below reflects all share-based awards outstanding as at December 31, 2019 for non-executive Directors:

Name	Share-based Awards		
	Number of shares or units of shares that have not vested <sup>(1)</sup> (#)	Market or payout value of share-based awards that have not vested <sup>(2)</sup> (\$)	Market or payout value of share-based awards not paid out or distributed <sup>(2)</sup> (\$)
Thomas D. Gardner	77,095	277,542	277,542
Dieter Jentsch	13,857	49,885	49,885
Robert (Chris) Kreidler	63,507	228,625	228,625
William McEwan	135,999	489,596	489,596
Frederick Mifflin	18,251	65,704	65,704
Philip Mittleman	29,207	105,145	105,145
Linda Kuga Pikulin	15,306	55,102	55,102

(1) Represents the number of DSUs held by non-executive Directors as of December 31, 2019. The DSUs that are granted to non-executive Directors are not subject to any vesting conditions and are paid out upon termination of service. Terms of the DSU Plan are described under "Appendix B LONG-TERM INCENTIVE PLANS – The DSU Plan".

(2) Represents the number of DSUs multiplied by the closing price of the Corporation's Shares on the TSX on December 31, 2019 (\$3.60).

# STATEMENT OF GOVERNANCE PRACTICES

Governance is a key priority for the Board of Directors and Management of the Corporation and transparency and accountability are essential ingredients of the governance and management framework guiding the Corporation. The Board has adopted policies and guidelines designed to align its interests and those of Management with our Shareholders' interests and to promote the highest standards of reporting, accountability and ethical behaviour. We regularly review the corporate governance policies and practices we have developed over the years to assure that they continue to be comprehensive, relevant and effective.

The following describes the Corporation's governance practices with reference to the governance disclosure required of issuers under *National Instrument 58-101 – Disclosure of Corporate Governance Practices* (“**NI 58-101**”), including additional voluntary disclosure where appropriate, and guidance on governance practices contained in *National Policy 58-201 – Corporate Governance Guidelines*.

## Board of Directors

### *Independence*

The Charter of the Board of Directors provides that the Board of Directors shall at all times be constituted of a majority of individuals who are independent. In accordance with the Settlement Agreement, each Director newly appointed following the Board reconstitution on February 24, 2020 is being nominated at the Meeting, in addition to current Director Philip Mittleman and, also as contemplated by the Settlement Agreement, the CEO is not being proposed for election as a Director at the Meeting. As such, the Board of Directors has determined that all nominees being proposed for election as Directors at the Meeting are independent as set out below.

Each Director nominee, namely Karen Basian, Charles Frischer, Sandra Hanington, Philip Mittleman, Michael Lehmann, David Rosenkrantz and Jordan G. Teramo is an “independent” Director within the meaning of NI 58-101 in that each of them has no material relationship with the Corporation and, in the reasonable opinion of the Board of Directors, is independent under the applicable laws, regulations and listing requirements to which the Corporation is subject.

Please refer to the section titled “The Nominated Directors” for information relating to each nominee proposed for election as a Director. All directorships with other public entities for each of the nominees are described thereunder.

### *Chairman of the Board of Directors*

The positions of Chief Executive Officer and Chairman of the Board of Directors are split. The current Chairman of the Board of Directors, Charles Frischer, is independent under the applicable laws, regulations and listing requirements.

A position description for the Chairman of the Board of Directors has been adopted and is available on our website at [www.corp.aimia.com](http://www.corp.aimia.com). Pursuant to the description, the Chairman assumes, among other things, the following responsibilities: (i) ensuring that the responsibilities of the Board of Directors are well understood by the Directors; (ii) ensuring that the Board of Directors works as a cohesive team and providing the requisite leadership to enhance Board effectiveness and ensure that the Board's agenda will enable it to successfully carry out its duties; (iii) ensuring that the resources available to the Board of Directors (in particular, timely and relevant information) are adequate to support its work; (iv) adopting procedures to ensure that the Board of Directors can conduct its work effectively and efficiently, including scheduling and management of meetings; (v) developing the agenda and procedures for meetings; (vi) ensuring proper flow of information to the Board of Directors; (vii) acting as a resource person and advisor to the Chief Executive Officer and to the various Board Committees; and (viii) chairing every Shareholders' meeting and meetings of the Board of Directors and encouraging free and open discussion at such meetings. The position description is reviewed annually by the Governance and Nominating Committee.

### *Independent Directors' Meetings*

At each regular Board of Directors meeting, non-executive Directors hold “in camera” sessions, in the absence of the members of Management of the Corporation. Questions and comments formulated during such “in camera” sessions are then passed on to the members of Management who were excluded from the “in camera” sessions. In addition, all Committees are entirely composed of independent Directors and meet, as required or desirable, without Management at each meeting at an “in camera” portion.

**AT EACH REGULAR BOARD OF DIRECTORS OR COMMITTEE MEETING,  
INDEPENDENT DIRECTORS HOLD “IN CAMERA” SESSIONS.**

The Board of Directors has access to information independent of Management through external auditors and consultants and believes that sufficient processes are in place to enable it to function independently of Management. The Board of Directors and its Committees are also able to retain and meet with external advisors and consultants.

## ***Attendance Record***

Please refer to the section titled “Board of Directors – Directors Attendance Record” for the attendance records of each Director of the Corporation for each of the meetings of the Board of Directors and the Committees held in 2019.

## ***Board Size***

The Board of Directors is currently comprised of eight (8) Directors and the proposed Board of Directors for election at the Meeting consists of seven (7) nominees. The Board of Directors is of the view that its size and composition and the proposed size and composition, in each case, are adequate and allow for the efficient functioning of the Board of Directors as a decision-making body.

## ***Board Mandate***

The Board of Directors has adopted a written charter which sets out, among other things, its roles and responsibilities. The Charter of the Board of Directors can be found at Appendix A to this Information Circular.

## **Audit Committee Information**

Reference is made to the annual information form of the Corporation for the year ended December 31, 2019 for disclosure of information relating to the Audit Committee required under Form 52-110 F1 – *Audit Committee Information Required in an AIF*. A copy of this document can be found on SEDAR at [www.sedar.com](http://www.sedar.com) or by contacting the Corporation's Investor Relations department at 777 Bay Street, Suite 2901, PO Box 118, Toronto, Ontario, Canada M5G 2C8.

## **Position Descriptions**

### ***Chief Executive Officer***

The Board of Directors has adopted a position description for the Chief Executive Officer, which is reviewed annually by the Governance and Nominating Committee. The position description is available on our website at [www.corp.aimia.com](http://www.corp.aimia.com). Pursuant to the position description, the Chief Executive Officer has full responsibility for the day-to-day operations of the Corporation's business in accordance with its strategic plan and operating and capital budgets as approved by the Board of Directors. The Chief Executive Officer is accountable to the Board of Directors for the overall management of the Corporation, and for conformity with policies agreed upon by the Board of Directors. The approval of the Board of Directors (or appropriate Committee) shall be required for all significant decisions outside of the ordinary course of the Corporation's business.

More specifically, the primary responsibilities of the Chief Executive Officer include the following: (i) developing, for the Board of Directors' approval, a strategic direction and positioning to ensure the Corporation's success; (ii) ensuring that the day-to-day business affairs of the Corporation are appropriately managed by developing and implementing processes that will ensure the achievement of the Corporation's financial and operating goals and objectives; (iii) identifying and communicating to the Board of Directors the principal risks with respect to the Corporation and its businesses, and developing processes for managing such risks; (iv) fostering a corporate culture that promotes professionalism, integrity, performance, customer focus and service; (v) keeping the Board of Directors aware of the Corporation's performance and events affecting its business, including opportunities in the marketplace and adverse or positive developments; (vi) recruiting, developing and maintaining competent and productive management teams and establishing the organizational structure within the Corporation and its subsidiaries; and (vii) ensuring, in cooperation with the Board of Directors, that there is an effective succession plan in place for the Chief Executive Officer position.

### ***Chief Financial Officer***

The Board of Directors has adopted a position description for the Chief Financial Officer, which is reviewed annually by the Governance and Nominating Committee. The position description is available on our website at [www.corp.aimia.com](http://www.corp.aimia.com).

### ***Standing Committee Chairs***

The Chairs of the Audit Committee, the Governance and Nominating Committee and the HRCC are David Rosenkrantz, Sandra Hanington and Karen Basian, respectively.

The Board of Directors has adopted a position description for the Chair of each of the Audit Committee, the HRCC and the Governance and Nominating Committee which is reviewed annually by the Governance and Nominating Committee. The position description is available on our website at [www.corp.aimia.com](http://www.corp.aimia.com). Pursuant to the position description, the Chair of each standing Committee shall, among other things: (i) ensure that the Committee fulfils the objectives and responsibilities set out in its charter; (ii) ensure that enough time and attention is given to each aspect of the Committee's responsibilities; (iii) ensure that members of the Committee maintain the level of independence required by applicable legislation; (iv) review the annual assessment of the Committee and take the appropriate measures to correct the weaknesses underlined by the assessment; (v) ensure that the other members of the Committee understand the role and responsibilities of the Committee; (vi) ensure that sufficient information is provided by Management to enable the Committee to exercise

its duties; (vii) set the agenda for meetings of the Committee in cooperation with the Chairman of the Board; (viii) ensure that Committee members have sufficient resources to support the applicable Committee's work (in particular, timely and relevant information); (ix) report to the Board on any issues considered by the Committee; and (x) carry out other duties as requested by the Board of Directors, depending on need and circumstances.

**POSITION DESCRIPTIONS HAVE BEEN ADOPTED FOR THE CHAIRMAN OF THE BOARD,  
THE CHIEF EXECUTIVE OFFICER, THE CHIEF FINANCIAL OFFICER AND THE CHAIR  
OF EACH BOARD COMMITTEE.**

### **Orientation and Continuing Education**

The Corporation has in place an orientation program for new Directors of the Corporation. New Directors are invited to attend orientation sessions with members of senior Management as well as with the Chief Executive Officer to improve their understanding of the business. Each new Director also receives orientation materials with important information relating to the strategy and operations of the Corporation's business, including the Board approved budget and corporate plan. New Directors are also asked to review the Charter of the Board of Directors, the Charter of each Committee, the position descriptions of the Chairman of the Board of Directors, the Chief Executive Officer and the Chair of each Committee, the Code of Ethics, the Trading Guidelines and the Public Disclosure Policy of the Corporation in order to fully grasp the role he or she is expected to play as a Director and/or Committee member.

The Board of Directors recognizes the importance of ongoing Director education. In order to facilitate Directors' professional development, the Corporation encourages and funds attendance at seminars or conferences of interest and relevance. In addition, the Directors regularly meet with Management and are given periodic presentations on the Corporation's business units and recent business developments. The presentation subjects are determined in part from education topics suggested by Directors. Also, the Chairman of the Board of Directors invites Directors to attend dinners on the evening before regularly scheduled Board meetings. Regularly at these dinners the Board meets with senior decision-makers within the Corporation in order to get to know them better and to enhance the Board's understanding of the business and affairs of the Corporation. Aimia is a corporate member of the Institute of Corporate Directors and pays for each Director's membership.

**AN ORIENTATION PROGRAM FOR NEW DIRECTORS IS IN PLACE AND PERIODIC PRESENTATIONS  
ON THE CORPORATION'S BUSINESS ARE GIVEN TO THE DIRECTORS. FUNDING IS AVAILABLE  
TO ENCOURAGE DIRECTOR EDUCATION.**

### **Strategic Planning Oversight**

The Board of Directors oversees the annual preparation and approval of Aimia's corporate strategic plan and rolling three-year long range budget. The Board endorses the overall themes and objectives for the strategic plan early in the planning cycle, typically in February or March of each year. The Board then reviews competitive reports and specific deep dives relevant to strategy in the months leading up to a strategy meeting, typically in June of each year. At this meeting, Directors participate in workshops and contribute to the strategic planning process before the final business plan and budgets begin to take shape. With the Board's endorsement with respect to the global strategy as well as material divisional and functional strategies, Management undertakes detailed work over the following months to develop the corporate plan, with detailed three-year financial metrics. The Board receives additional competitive reports and specific reports relevant to strategy during the period from July to November and approves the final corporate plan and budget, at a dedicated meeting held in December of each year. As part of the strategic planning cycle, the Board considers the role of each of the divisions and functions, identifies opportunities and key competitive, regulatory and other material risks and approves Aimia's financial objectives, including capital allocation matters.



## Risk Management Oversight

The Audit Committee's responsibilities include working with Management to identify, monitor and address material financial and other risks to the business and affairs of the Corporation and its subsidiaries and making recommendations in that regard to the Board of Directors. The Audit Committee is also responsible for assisting the Board in its oversight of Aimia's internal controls over financial reporting and disclosure and the performance of the Corporation's internal audit function.

The Corporation's approach to risk management can be summarized as follows: (i) define risk management principles: which risks should be mitigated (e.g. commercial and operational risks), which risks should be transferred (e.g. disaster risk) and which risks should be monitored but neither mitigated nor insured (e.g. macro-economic risk); (ii) identify key risks (which can be grouped into the following areas: regulatory and legal, macro social/economic risks, competitive disruption, commercial risks, IT/security, operational and other risks); (iii) assess and prioritize these risks using a matrix tracking the likelihood of the risks as well as their potential impact on the business; (iv) define responses to key risks according to the severity of each risk (depending on the nature of the response, specific resources may be dedicated to ensuring the risk is properly managed and monitored); and (v) monitor and periodically report ongoing risks and responses. The Board regularly discusses key risks and how they are being tracked and mitigated.

## Shareholder Engagement

The Board of Directors believes that it is important to have regular and constructive engagement directly with its Shareholders to allow and encourage Shareholders to express their views on governance and executive compensation matters to the Board outside of the annual meeting. The Board of Directors values the input and insights of the Corporation's Shareholders.

To allow Shareholders to provide meaningful feedback, the Board of Directors proactively meets and engages with proxy advisory firms and other organizations that represent Shareholders' interests. In addition, the Chairman of the Board and other Directors may, from time to time, meet with certain Shareholders. Such discussions are intended to focus on an exchange of views about governance and disclosure matters that are within the public domain. Members of the Board of Directors also attend each annual meeting and are available to respond to Shareholder questions. Finally, the Board of Directors receives regular updates from Management with respect to Shareholder feedback and the overall Shareholder outreach program.

As part of its Shareholder engagement process, the Board invites Shareholders and stakeholders to communicate with its members, including the Chairman of the Board, by directing communications by email to Investor Relations at [tom.tran@aimia.com](mailto:tom.tran@aimia.com) or by mail to:

Aimia Inc. Board of Directors  
c/o Investor Relations  
777 Bay Street  
Suite 2901, PO Box 118  
Toronto, ON M5G 2C8  
Canada

## Directors Attendance Record

In the 2019 financial year, the Board of Directors and its five (5) Committees held the following number of meetings:

Board of Directors	24
Audit Committee	10
Governance and Nominating Committee	21
Human Resources and Compensation Committee	9
Strategic Review Special Committee	10
Ad Hoc Nominating Committee	4
<b>Total</b>	<b>78</b>

A record of attendance by current individual Directors at meetings of the Board of Directors and its Committees, as applicable, for the 2019 financial year is set out below. The following table does not include the attendance records for the Directors who stepped down from the Board on February 24, 2020.

Director	Number and % of Meetings Attended							Overall Attendance
	Board	Audit Committee	Governance and Nominating Committee	Human Resources and Compensation Committee	Strategic Review Special Committee	Ad Hoc Nominating Committee	Overall Committee Attendance	
Philip Mittleman	23 of 23 <sup>(1)</sup>	4 of 4 <sup>(2)</sup>	–	8 of 8 <sup>(3)</sup>	–	4 of 4	100%	100%
Jeremy Rabe <sup>(4)</sup>	24 of 24	–	–	–	–	–	–	100%

- (1) Philip Mittleman was voluntarily recused from the meeting of the Board of Directors held on July 21, 2019 due to a conflict of interest arising from the subject matter of the meeting. He attended all twenty-three (23) of the other meetings of the Board of Directors held in 2019.
- (2) Philip Mittleman was a member of the Audit Committee until August 14, 2019, and therefore attended four (4) of the ten (10) Audit Committee meetings held in 2019. He attended all of the Audit Committee meetings held in 2019 until August 14, 2019.
- (3) Philip Mittleman was a member of the Human Resources and Compensation Committee until August 14, 2019, and therefore attended eight (8) of the nine (9) Human Resources and Compensation Committee meetings held in 2019. He attended all of the Human Resources and Compensation Committee meetings held in 2019 until August 14, 2019.
- (4) Jeremy Rabe, as Chief Executive Officer, attended portions of most Committee meetings in 2019.

### Public Disclosure Policy

The Corporation is committed to maintaining high standards regarding disclosure issues. The Board of Directors has adopted a Public Disclosure Policy (the “**Public Disclosure Policy**”) to confirm in writing the Corporation’s disclosure policies and practices that have been and continue to be in place and to which Management adheres. The objective of the Public Disclosure Policy is to provide guidelines with respect to the dissemination and disclosure of information which seek to ensure (i) communications that are timely, accurate, factual, balanced and broadly disseminated, and (ii) sound disclosure practices which maintain the confidence of the financial community in the integrity of the Corporation’s information.

The Board of Directors has also established a disclosure policy committee (the “**Disclosure Committee**”), responsible for overseeing the Corporation’s disclosure practices and implementing, administering and monitoring the effectiveness of, and compliance with, the Public Disclosure Policy. The Disclosure Committee consists of the Chief Executive Officer, the Chief Financial Officer, the General Counsel and Corporate Secretary and the Director, Investor Relations, or their respective functional equivalents. The Disclosure Committee reviews and updates, as appropriate, the Public Disclosure Policy, on an annual basis or as needed to ensure compliance with changing regulatory requirements. The Disclosure Committee reports to the Audit Committee, on an annual basis or at such other time, as deemed appropriate by the Audit Committee, with respect to the Public Disclosure Policy.

### Trading Guidelines

The Board of Directors has also adopted trading guidelines which set out guidelines on trading of Shares (or any other securities of the Corporation) for any person with knowledge of privileged information about the Corporation or any of its operating entities.

As a general principle, Covered Persons may only purchase or sell Shares (or any other securities of the Corporation) during the period commencing after two (2) full trading days after the Corporation’s quarterly or annual results have been disseminated by means of a press release and ending on the last day of the then current quarter. For purposes of the trading guidelines, “**Covered Persons**” means directors, officers and senior Management of the Corporation or any of its operating entities and anyone else who would reasonably be expected to have access to privileged information during periods when financial statements are being prepared but results have not yet been publicly disclosed. No employee of, or anyone having access to privileged information of the Corporation shall trade in the Shares (or any other securities of the Corporation) while in possession of privileged information of any kind (related to financial results or other matters), until such privileged information has been generally disclosed to the public by way of a press release.

Directors, as well as employees who are subject to the Shareholding Guidelines for Executives, are not permitted to purchase financial instruments that are designed to hedge or offset a decrease in market value of the Corporation’s securities granted as compensation or held, directly or indirectly, by such Directors or employees.

## Code of Ethics

The Corporation has adopted a Code of Ethics (the “Code”). The Code applies to everyone at the Corporation, including its Directors, officers and employees. A copy of the Code can be obtained on the Corporation’s website at [www.corp.aimia.com](http://www.corp.aimia.com). The Code covers a variety of subjects such as:

- (a) conflicts of interest;
- (b) use of the Corporation’s assets;
- (c) privacy and confidentiality; and
- (d) fair dealing with other people and organizations.

### A CODE OF ETHICS HAS BEEN ADOPTED AND APPLIES TO ALL DIRECTORS, OFFICERS AND EMPLOYEES OF THE CORPORATION.

The Governance and Nominating Committee has the responsibility for monitoring compliance with and interpreting the Code. The Code has been communicated or brought to the attention of all employees of the Corporation. In addition, all employees and Directors of the Corporation are required to complete an acknowledgement form whereby they undertake to adhere to the principles and standards of the Code. The Corporation uses a confidential and anonymous reporting system that allows employees around the world to report suspected violations of the Code through the Internet or a telephone hotline. The Board of Directors has concluded that such measures foster a culture of ethical conduct within the Corporation and are appropriate and sufficient to ensure compliance with the Code. Management prepares reports for the Governance and Nominating Committee noting any alleged violations, on a quarterly basis. Since the adoption of the Code, the Corporation has not filed any material change report pertaining to any conduct of a Director or Executive Officer of the Corporation that would constitute a departure from the Code. The Code and the process for administering it are reviewed by the Governance and Nominating Committee on an annual basis.

In addition to the relevant provisions of the CBCA applicable to Directors, the Charter of the Board of Directors provides that the Directors shall disclose all actual or potential conflicts of interest and refrain from voting on matters in which the Director has a conflict of interest. The Charter also provides that a Director shall excuse himself or herself from any discussion or decision on any matter in which the Director is precluded from voting as a result of a conflict of interest or which otherwise affects his or her personal, business or professional interests.

## Nomination of Directors

Please refer to the section titled “The Nominated Directors – Expectations for Individual Directors, Succession Planning and Skills Matrix” for a description of the expected skill-set of new Board candidates as well as the specific experience and expertise brought by each individual Director.

The Governance and Nominating Committee is composed entirely of independent Directors of the Corporation. It is responsible for considering and making recommendations on the desired size of the Board of Directors, the need for recruitment and the expected skill-set of new candidates. In consultation with the Chairman of the Board of Directors and the Chief Executive Officer, the Governance and Nominating Committee determines the expected skill-set of new candidates by taking into account the existing strength of the Board of Directors and the needs of the Corporation. The Governance and Nominating Committee then reviews and recommends the candidates for nomination as Directors and approves the final choice of candidates for nomination and election as Directors by the Shareholders. Directors must have an appropriate mix of skills, knowledge and experience in business and an understanding of the industry and the geographical areas in which the Corporation operates. Directors selected should be able to commit the requisite time for all of the applicable Board’s business. The Governance and Nominating Committee may engage outside advisors to assist in identifying potential candidates.

Please refer to the section titled “Committees – Governance and Nominating Committee” for a description of the responsibilities, powers and operations of the Governance and Nominating Committee.

## Compensation

The Governance and Nominating Committee, which is composed entirely of independent Directors, periodically reviews the compensation of the Directors. Please refer to the Compensation Discussion and Analysis for the criteria used to determine the remuneration of the Directors of the Corporation.

The HRCC, which is composed entirely of independent Directors, is accountable on behalf of the Board to determine the compensation of the Executive Officers of the Corporation and to recommend to the Board the remuneration package for the Chief Executive Officer. The process the HRCC uses for these determinations can be found under “Compensation Discussion and Analysis”.

## **Board Committees**

There are three (3) standing Committees of the Board of Directors: the Audit Committee; the Governance and Nominating Committee; and the HRCC. Each of the Committees is currently composed entirely of independent Directors. The roles and responsibilities of each standing Committee are described in the respective Committee charters. Please refer to the section titled “Committees” for a description of the responsibilities, powers and operations of such Committees.

## **Assessments**

The Governance and Nominating Committee assumes the responsibility of assessing the effectiveness of the Board of Directors, the Committees and the contribution of individual Directors on an annual basis.

### **THE BOARD ASSESSMENT PROCESS IS CONDUCTED ON AN ANNUAL BASIS.**

The Governance and Nominating Committee has the mandate and responsibility to review, on an annual basis, the performance and effectiveness of the Board of Directors as a whole and each individual Director. The Chair of the Governance and Nominating Committee annually approves and distributes a comprehensive questionnaire to each member of the Board of Directors regarding various aspects of Board and individual performance. The questionnaire covers a wide range of issues, including the operation and effectiveness of the Board of Directors and its Committees, the level of knowledge of the Directors relating to the business of the Corporation and the risks it faces, and the contribution of individual Directors, and allows for comments and suggestions. The Chair of the Governance and Nominating Committee compiles responses to the questionnaire and prepares a report to the Governance and Nominating Committee which provides a report to the full Board. The Governance and Nominating Committee may then recommend changes based upon such feedback to enhance Board and Committee performance or refer any areas requiring follow-up to the relevant Committees.

In addition to the foregoing, each Director individually meets with the Chairman of the Board at least once annually to discuss his or her individual performance and the performance of the Board as a whole. As well, the Chairman's performance is evaluated and assessed through one-on-one meetings between each Director and the Chair of the Governance and Nominating Committee. Both the Chairman of the Board and the Chair of the Governance and Nominating Committee then report back to the full Board.

## **Director Term Limits**

Please refer to the section titled “The Nominated Directors – Retirement Policy and Director Term Limits”.

## **Representation of Women on the Board and in Executive Officer Positions, Considerations and Targets**

Please refer to the section titled “The Nominated Directors – Diversity Policy”.

## COMMITTEES

The Board of Directors has three (3) standing Committees:

- the Audit Committee;
- the Governance and Nominating Committee; and
- the HRCC.

The Board of Directors does not have an executive committee. All Committees of the Board of Directors are composed of independent Directors of the Corporation. The roles and responsibilities of each standing Committee are set out in formal written charters which are available on the Corporation's website at [www.corp.aimia.com](http://www.corp.aimia.com). These charters are reviewed annually to ensure that they reflect best practices as well as applicable regulatory requirements. Each of the Committees has the authority to retain advisors to assist in fulfilling its obligations.

### Audit Committee

The Corporation is required by law to have an audit committee. The Audit Committee shall be composed of not less than three (3) Directors of the Corporation, all of whom shall meet the independence, experience and other membership requirements under applicable laws, rules and regulations, as determined by the Board of Directors. The members of the Audit Committee shall have no relationships with Management, the Corporation or its related entities that, in the opinion of the Board of Directors, may interfere with their independence from Management and from the Corporation. In addition, a member of the Audit Committee shall not receive, other than for service on the Board of Directors, the Audit Committee or other Committees of the Board of Directors, any consulting, advisory or other compensatory fee from the Corporation or any of its related parties or subsidiaries. The members of the Audit Committee shall possess the mix of characteristics, experiences and skills to provide an appropriate balance for the performance of the duties of the Audit Committee and in particular each member of the Audit Committee shall be "financially literate" as defined by relevant securities legislation or regulations.

The objectives of the Audit Committee include the following:

- To assist the Board of Directors in the discharge of its responsibility to monitor the component parts of the Corporation's financial reporting and audit process.
- To maintain and enhance the quality, credibility and objectivity of the Corporation's financial reporting and to satisfy itself and oversee Management's responsibility as to the adequacy of the supporting systems of internal financial and accounting controls.
- To assist the Board of Directors in its oversight of the independence, qualifications and appointment of the external auditor.
- To monitor the performance of the internal financial and accounting controls and of the internal and external auditors.
- To provide independent communication between the Board and the internal auditor and the external auditor.
- To facilitate in-depth and candid discussions between the Audit Committee and Management and the external auditor regarding significant issues involving judgment and impacting quality of controls and reporting.
- To monitor and discuss Management's identification and handling of significant risks.

The Audit Committee's responsibilities include the following:

- Monitor and review the quality and integrity of the Corporation's accounting and financial reporting process through discussions with Management, the external auditor and the internal auditor.
- Review with Management, the internal auditor and the external auditor and, if considered appropriate, approve for recommendation to the Board of Directors the release of the Corporation's annual or quarterly financial statements, as applicable, related MD&A and earnings press releases.
- Meet with the external auditor to review and approve its audit plan.
- Review and approve estimated audit and audit-related fees and expenses.
- Review and approve the nature of all non-audit services, as permitted by securities legislation and regulations, to be provided by the external auditor prior to the commencement of such work.
- Evaluate the performance of the external auditor.
- Review significant emerging accounting and reporting issues.
- Review policies and procedures for the receipt, retention and treatment of complaints received by the Corporation from employees, Shareholders and other stakeholders regarding accounting issues and financial reporting.
- Review and approve the Public Disclosure Policy.
- Identify and address material financial and other risks to the business and affairs of the Corporation and its subsidiaries and make recommendations in that regard to the Board of Directors.

The Audit Committee is currently composed of David Rosenkrantz (Chairman), Michael Lehmann and Jordan G. Teramo, each of whom is "independent" of the Corporation within the meaning of applicable securities laws.

The Audit Committee met ten (10) times during the period from January 1, 2019 to December 31, 2019.

## **Governance and Nominating Committee**

The Governance and Nominating Committee shall be comprised of not less than three (3) Directors of the Corporation as determined by the Board of Directors, all of whom shall be independent (as defined under applicable securities laws) and comply with eligibility and qualification standards under applicable legislation in effect from time to time.

The primary objective of the Governance and Nominating Committee is to assist the Board of Directors in fulfilling its responsibilities by (i) ensuring that corporate governance guidelines are adopted, disclosed and applied, including Director qualification standards, Director responsibilities, Director access to Management and independent advisors, Director compensation, Director orientation and continuing education and annual performance evaluation of the Board of Directors, and (ii) identifying individuals qualified to become new Board members and recommending to the Board of Directors the Director nominees for each annual meeting of Shareholders.

The Governance and Nominating Committee's responsibilities include the following:

- Develop and review position descriptions for the Chairman of the Board of Directors, the Chair of each Board Committee and the Chief Executive Officer.
- Ensure that appropriate structures and procedures are in place so that the Board of Directors can function independently of Management.
- Put in place an orientation and continuing education program for new Directors on the Board of Directors.
- Make recommendations to the Board of Directors with respect to the monitoring, adopting and disclosure of corporate governance guidelines.
- Recommend the types, charters and composition of the Board Committees.
- Review on a regular basis the adequacy and form of Director compensation.
- Recommend the nominees to the chairmanship of the Board Committees.
- Assist the Board of Directors in determining what competencies and skills the Board of Directors, as a whole, should possess and what competencies and skills each existing Director possesses.
- Assess the contribution of the Directors and the Board Committees on an ongoing basis.
- Periodically review and approve the Code of Ethics.
- Review the Corporation's social responsibility agenda and its activities relating to the charitable and other donations.
- Assist the Board of Directors in determining the appropriate size of the Board of Directors, with a view to facilitating effective decision-making.
- Develop and review criteria regarding personal qualification for Board membership, such as background, experience, technical skill, affiliations and personal characteristics, and develop a process for identifying and recommending candidates.
- Identify individuals qualified to become new members of Board of Directors and recommend them to the Board of Directors.
- Recommend the slate of Director nominees for each annual meeting of Shareholders.
- Recommend candidates to fill vacancies on the Board of Directors occurring between annual meetings of Shareholders.

The Governance and Nominating Committee is currently composed of Sandra Hanington (Chair), Charles Frischer and Philip Mittleman, each of whom is "independent" of the Corporation within the meaning of applicable securities laws.

The Governance and Nominating Committee met twenty-one (21) times during the period from January 1, 2019 to December 31, 2019.

## **Human Resources and Compensation Committee**

The HRCC shall be comprised of not less than three (3) Directors of the Corporation as determined by the Board of Directors, all of whom shall be independent (as defined under applicable securities laws). A majority of the members of the HRCC are required to have direct experience relevant to their responsibilities in executive compensation.

The purpose of the HRCC is to assist the Board in fulfilling its oversight responsibilities in the field of human resources and compensation. The HRCC's primary focus is with respect to the development, succession planning and compensation of Executive Officers and the identification, oversight and management of risk related to the compensation policies and practices of the Corporation. The HRCC also assists the Board of Directors in establishing the compensation philosophy and the compensation and benefit plans for the workforce of the Corporation's material operating subsidiaries.

The responsibilities of the HRCC include the following:

- Develop the compensation philosophy and guidelines for the Corporation's material operating subsidiaries.
- In consultation with the Chairman of the Board of Directors, review and approve corporate goals, objectives and business performance measures relevant to the compensation of the Group Chief Executive, evaluate the Chief Executive Officer's performance in light of such goals, objectives and business performance measures, and make recommendations to the Board of Directors with respect to the Chief Executive Officer's compensation level based on this evaluation.
- Make recommendations to the Board of Directors with respect to senior executive compensation (other than in respect of the Chief Executive Officer, as such is dealt with as per above), incentive compensation and equity-based plans.



- Review and approve, on behalf of the Board of Directors, the annual salary increase budget and any significant changes to the salary structure that could impact the salary costs in the short-term or long-term.
- Review executive compensation disclosure before public dissemination, in accordance with applicable rules and regulations.
- Review the succession plans for Executive Officers to ensure that successors have been identified and that their career development is appropriate.
- Review the reporting structure of Executive Officers as required or upon request by the Board of Directors.
- Review and approve the contingency plans in the event of the death, disability and/or any unplanned departure of Executive Officers.
- Approve all services to be provided by the HRCC's external compensation consultant or advisor prior to the commencement of such work.
- Review pension plan design changes for the Corporation's material operating subsidiaries.

The HRCC is currently composed of Karen Basian (Chair), Charles Frischer and Michael Lehmann, each of whom is "independent" of the Corporation within the meaning of applicable securities laws. In addition, none of the members of the HRCC is an acting chief executive officer of another publicly traded company.

The HRCC met nine (9) times during the period from January 1, 2019 to December 31, 2019.

## OTHER IMPORTANT INFORMATION

### **Interest of Informed Persons in Material Transactions**

To the knowledge of the Corporation, no Director, senior officer or other insider, as applicable, of (i) the Corporation, or (ii) any associate or affiliate of the persons referred to in (i) has or has had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's last financial year or in any proposed transaction that has materially affected or will materially affect the Corporation or any of its subsidiaries.

### **No Indebtedness of Directors and Officers**

As at March 27, 2020, the Corporation had not made any loan to Directors, officers, employees or former Directors, officers and employees of the Corporation.

### **Future Shareholder Proposals**

Shareholder proposals must be submitted in writing at 777 Bay Street , P.O. Box 118, Suite 2901, Toronto, Ontario, Canada, M5G 2C8, Attention: Corporate Secretary of the Corporation, or by email to [Edouard.Vo-Quang@aimia.com](mailto:Edouard.Vo-Quang@aimia.com), and must be received prior to the close of business on December 28, 2020.

## ADDITIONAL INFORMATION

### **Documents you can request**

You can ask us for a copy of the following documents at no charge:

- the annual report of the Corporation for the year ended December 31, 2019, which includes the Corporation's consolidated financial statements for the year ended December 31, 2019 and the auditors' report thereon, and the management's discussion and analysis related to such financial statements;
- any interim financial statements of the Corporation that were filed after the consolidated financial statements for their most recently completed financial year;
- management's discussion and analysis for such interim financial statements; and
- the annual information form of the Corporation for the year ended December 31, 2019, together with any document, or the relevant pages of any document, incorporated by reference into it.

The Corporation's financial information is included in the audited consolidated financial statements of the Corporation and the notes thereto and in the accompanying management's discussion and analysis for the financial year ended December 31, 2019.

Should you want a copy of any such documents, please write to the Investor Relations department at 777 Bay Street, Suite 2901, PO Box 118, Toronto, Ontario, Canada M5G 2C8.

The above documents are also available on our website at [www.corp.aimia.com](http://www.corp.aimia.com) and on SEDAR at [www.sedar.com](http://www.sedar.com). All of our news releases are also available on our website.

### **Receiving information electronically**

You can choose to receive electronically all of our corporate documents, such as this Information Circular and our annual report for the year ended December 31, 2019. We will send you an email indicating when they are available on our website. If you do not sign up for this service, we will continue to send you these documents by mail.

#### ***How to Sign Up – Registered Shareholders***

**You are a registered Shareholder** if your name appears on your Share certificate.

If you are not sure whether you are a registered Shareholder, please contact AST at 1-800-387-0825.

To sign up, go to the website <https://ca.astfinancial.com/edelivery> and follow the instructions.

#### ***How to Sign Up – Non-Registered Shareholders***

**You are a non-registered Shareholder** if your nominee holds your Shares for you.

If you are not sure whether you are a non-registered Shareholder, please contact AST at 1-800-387-0825.

To sign up to receive electronically materials relating to our annual Shareholders' meetings, go to [www.investordeliverycanada.com](http://www.investordeliverycanada.com).

To sign up to receive electronically all other documents, go to the website <https://ca.astfinancial.com/financialstatements> and follow the instructions.

#### ***How to Sign Up – Employees Holding Shares under the Employee Share Purchase Plan of the Corporation***

If you are not sure whether you are an employee holding your Shares under the Employee Share Purchase Plan of the Corporation, please contact Computershare at 1-866-982-1878.

To sign up, go to the website [www.computershare.com/employee/ca](http://www.computershare.com/employee/ca) and follow the instructions.

## QUESTIONS AND FURTHER ASSISTANCE

If you have any questions about the information contained in this Information Circular or require assistance in completing your proxy form, please contact AST, the Transfer Agent, at 1-800-387-0825.

## APPROVAL OF DIRECTORS

The content and the sending of this Information Circular to Shareholders of the Corporation have been approved by the Directors of the Corporation.

Dated at the City of Montréal, in the Province of Quebec, as of the 27<sup>th</sup> day of March, 2020.

Edouard Dong Vo-Quang (*signed*)  
General Counsel and Corporate Secretary

# APPENDIX A

## CHARTER OF THE BOARD OF DIRECTORS

### **I. PURPOSE**

This charter describes the role of the Board of Directors (the “**Board**”) of Aimia Inc. (the “**Corporation**”).

This charter is subject to the provisions of the Corporation’s articles of incorporation and by-laws and to applicable laws. This charter is not intended to limit, enlarge or change in any way the responsibilities of the Board as determined by such articles, by-laws and applicable laws. Directors are elected or appointed by the Shareholders of the Corporation and together with those appointed to fill vacancies or appointed as additional directors throughout the year, collectively constitute the Board.

### **II. ROLE**

The Board is responsible for the stewardship of the Corporation and its business and is accountable for the performance of the Corporation.

The Board shall establish the overall policies for the Corporation, monitor and evaluate the Corporation’s strategic direction, and retain plenary power for those functions not specifically delegated by it to its Committees or to management. Accordingly, in addition to the duties of directors of a Canadian corporation as prescribed by applicable laws, the Board shall supervise the management of the business and affairs of the Corporation with a view to evaluate, on an ongoing basis, whether the Corporation’s resources are being managed with integrity and in a manner consistent with ethical considerations and stakeholders’ interests and in order to enhance Shareholder value. In discharging their duties, directors must act honestly and in good faith, with a view to the best interests of the Corporation. Directors must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

### **III. COMPOSITION**

#### *Selection*

The Board shall be comprised of that number of directors as shall be determined from time to time by the Board upon recommendation of the Governance and Nominating Committee of the Board.

The Governance and Nominating Committee shall maintain an overview of the desired size of the Board, the need for recruitment and the expected skill-set of new candidates. The Governance and Nominating Committee shall review and recommend to the Board candidates for nomination as directors of the Corporation. The Board shall approve the final choice of the candidates that are to be elected as directors of the Corporation by its Shareholders.

Board members must have an appropriate mix of skills, knowledge and experience in business and an understanding of the industry and the geographical areas in which the Corporation operates. Directors selected should be able to commit the requisite time for all of the Board’s business.

#### *Chairman*

A Chairman of the Board shall be appointed by the Board. The Board currently believes that it is in the best interest of the Corporation and its Shareholders that the offices of Chairman of the Board and Chief Executive Officer (currently the Group Chief Executive) be separate. The Chairman’s responsibilities shall include the following, in addition to the Chairman’s responsibilities pursuant to legislation and the Corporation’s articles and by-laws as well as those which may be assigned to him from time to time by the Board:

- (a) ensuring that the responsibilities of the Board are well understood by the Board;
- (b) ensuring that the Board works as a cohesive team and providing the requisite leadership to enhance Board effectiveness and ensure that the Board’s agenda will enable it to successfully carry out its duties;
- (c) ensuring that the resources available to the Board (in particular, timely and relevant information) are adequate to support its work;
- (d) adopting procedures to ensure that the Board can conduct its work effectively and efficiently, including scheduling and managing meetings;
- (e) developing the agenda and procedures for Board meetings;
- (f) ensuring proper flow of information to the Board;
- (g) acting as a resource person and advisor to the Group Chief Executive and the various Board committees; and
- (h) chairing every Shareholders’ meeting and meetings of the Board and encouraging free and open discussions at such meetings.



### *Independence*

A majority of the Board shall be composed of directors who must be determined to have no material relationship with the Corporation and who, in the reasonable opinion of the Board, must be unrelated and independent under the laws, regulations and listing requirements to which the Corporation is subject.

### *Criteria for Board Membership*

Board members are expected to possess the following characteristics and traits:

- (a) demonstrate high ethical standards and integrity in their personal and professional dealings;
- (b) act honestly and in good faith with a view to the best interests of the Corporation;
- (c) devote sufficient time to the affairs of the Corporation and exercise care, diligence and skill in fulfilling their responsibilities both as Board members and as Committee members;
- (d) provide independent judgment on a broad range of issues;
- (e) understand and critically evaluate the key business plans and the strategic direction of the Corporation;
- (f) raise questions and issues to facilitate active and effective participation in the deliberation of the Board and of each Committee;
- (g) make all reasonable efforts to attend all Board and Committee meetings; and
- (h) review the materials provided by management in advance of the Board and Committee meetings.

### *Retirement Age for Directors*

The policy of the Board is that no person shall be appointed or elected as a director if the person exceeds seventy-five (75) years of age. The policy allows for an exception where the Board determines it is in the interest of the Corporation to request a director to extend his/her term beyond the regular retirement age, provided however that such extension is requested in one-year increments.

## **IV. COMPENSATION**

The Board has determined that the directors should be compensated in a form and amount which is appropriate and which is customary for comparable corporations, having regard for such matters as time commitment, responsibility and trends in director compensation.

## **V. RESPONSIBILITIES**

Without limiting the Board's governance obligations, general Board responsibilities shall include the following:

- (a) discussing and developing the Corporation's approach to corporate governance, with the involvement of the Governance and Nominating Committee;
- (b) declaring and approving dividends paid by the Corporation;
- (c) reviewing and approving management's strategic and business plans on an annual basis, including developing an in-depth knowledge of the business, understanding and questioning the plans' assumptions, and reaching an independent judgment as to the probability that the plans can be realized;
- (d) monitoring corporate performance against the strategic business plans, including reviewing operating results on a regular basis to evaluate whether the business is being properly managed;
- (e) appointing the Group Chief Executive and developing his or her position description with the recommendation of the Governance and Nominating Committee;
- (f) reviewing, through the Human Resources and Compensation Committee, succession plans for the Group Chief Executive and for the Corporation's senior executives;
- (g) reviewing, through the Human Resources and Compensation Committee, the compensation of the Group Chief Executive;
- (h) identifying the principal risks of the Corporation's businesses and ensuring the implementation of appropriate systems to manage these risks;
- (i) ensuring that appropriate structures and procedures are in place so that the Board and its Committees can function independently of management;
- (j) ensuring the proper and efficient functioning of the Committees of the Board;
- (k) providing a source of advice and counsel to management;
- (l) reviewing and approving key policies developed by management;
- (m) reviewing, approving and, as required, overseeing compliance with the Corporation's public disclosure policy;
- (n) overseeing the Corporation's disclosure controls and procedures;
- (o) monitoring, through the Audit, Finance and Risk Committee, the Corporation's internal controls;
- (p) ensuring that the Corporation's senior executives possess the ability required for their roles, are adequately trained and monitored;

- (q) ensuring that the Chief Executive Officer and the other senior executives have the integrity required for their roles and the capability to promote a culture of integrity and accountability within the Corporation;
- (r) conducting, through the Governance and Nominating Committee, an annual assessment of the Board and its Committees;
- (s) selecting, upon the recommendation of the Governance and Nominating Committee, the candidates that are to be nominated as directors of the Corporation;
- (t) selecting a Chairman of the Board; and
- (u) ensuring, with the Governance and Nominating Committee, that the Board as a whole, the Committees of the Board and each of the directors are capable of carrying out and do carry out their roles effectively.

## **VI. MEETINGS**

The Board shall meet at least quarterly, with additional meetings scheduled as required. Such additional meetings may be held at the request of any director with notice given to all directors of the Board. Each director has a responsibility to attend and participate in meetings of the Board. The Chairman of the Board shall approve the agenda for Board meetings. The Corporate Secretary shall distribute the meeting agenda and minutes to the Board.

Information and materials that are important to the Board's understanding of the agenda items and related topics shall be distributed in advance of a meeting. The Corporation shall deliver information on the business, operations and finances of the Corporation to the Board on an as-required basis.

On the occasion of each regularly scheduled Board meeting and at other times as they may wish, non-management directors shall hold "in-camera" sessions, in the absence of members of management.

## **VII. DECISIONS REQUIRING PRIOR BOARD APPROVAL**

In addition to those specific matters requiring prior Board approval pursuant to the Corporation's by-laws or applicable laws, the Board shall be responsible for approving the following:

- (a) interim and annual financial statements, provided that the Board may delegate to the Audit, Finance and Risk Committee the responsibility to review such financial statements and make its recommendations to the Board;
- (b) strategic plans, business plans and capital expenditure budgets;
- (c) raising of debt or equity capital and other major financial activities;
- (d) hiring, compensation and succession for the Chief Executive Officer and other senior executives;
- (e) major organizational restructurings, including spin-offs;
- (f) material acquisitions and divestitures; and
- (g) major corporate policies.

## **VIII. BOARD COMMITTEES**

There are three Committees of the Board: the Audit, Finance and Risk Committee, the Governance and Nominating Committee and the Human Resources and Compensation Committee. The roles and responsibilities of each Committee are described in the respective Committee charters.

Members of the Audit, Finance and Risk Committee, the Human Resources and Compensation Committee and the Governance and Nominating Committee shall be independent as required under the charter of each Committee and the laws, regulations and listing requirements to which the Corporation is subject.

## **IX. COMMUNICATION WITH THE BOARD**

Shareholders of the Corporation and other constituencies may communicate with the Board and individual board members by contacting Investor Relations.

## **X. ADVISORS**

The Board has determined that any individual director who wishes to engage a non-management advisor to assist on matters involving such director's responsibilities as a director at the expense of the Corporation should have his or her request reviewed by, and obtain the authorization of, the Chairman of the Board.

## **XI. OTHER MATTERS**

The Board expects directors as well as officers and employees of the Corporation to act ethically at all times and to acknowledge their adherence to the policies comprising the Code of Ethics (the "Code"). The Board, with the assistance of the Governance and Nominating Committee, is responsible for monitoring compliance with the Code.

Directors shall disclose all actual or potential conflicts of interest and refrain from voting on matters in which the director has a conflict of interest. In addition, a director shall excuse himself or herself from any discussion or decision on any matter in which the director is precluded from voting as a result of a conflict of interest or which otherwise affects his or her personal, business or professional interests.

## APPENDIX B

### LONG-TERM INCENTIVE PLANS

This Appendix B provides details regarding the LTIP, the SUP and the DSU Plan. Capitalized Terms contained herein that are not otherwise defined in the Information Circular, including this Appendix B, have the meanings given to them in the applicable incentive plan, which are reproduced below under the heading "Definition of Terms used in the Incentive Plans."

#### **The LTIP**

The LTIP of the Corporation is dated June 25, 2008 and was amended by the Board of Directors on May 4, 2012, which amendments did not require Shareholder approval. On February 28, 2013, the Board of Directors of the Corporation approved certain amendments to the LTIP, which were approved by the Shareholders at the annual meeting held on May 14, 2013. The description of the LTIP provided below is of the LTIP as amended by the Board of Directors on February 28, 2013 and as approved by Shareholders on May 14, 2013.

#### ***General Terms Applicable to the LTIP***

The LTIP is designed to provide Eligible Participants (as defined below) with incentive compensation that enhances the Corporation's ability to attract, retain and motivate the key contributors who will drive the Corporation's long-term business success and to reward executives and other critical employees for significant performance that results in the Corporation meeting or exceeding its performance targets over the long-term. The LTIP is also designed to align Participants' interests with those of Shareholders by delivering awards which are either settled in shares of the Corporation or which track the value of the Corporation's shares.

The LTIP permits the granting of Options to Eligible Participants of the Corporation and its subsidiaries. As of February 2015, PSUs are granted under the SUP. The LTIP is administered by the HRCC.

A maximum of 16,381,000 Shares are reserved and available for grant and issuable pursuant to the LTIP, which number represents approximately 17% of the issued and outstanding Shares as of March 27, 2020. As of March 27, 2020, the 3,362,520 Shares to be issued pursuant to the exercise of outstanding Options represents approximately 4% of all of the Corporation's issued and outstanding Shares. As per the LTIP, the value of PSUs realized upon achievement of performance vesting conditions can be settled in cash or through the purchase of Shares on the open market, at the determination of the Board of Directors, but not through the issuance of Shares from treasury.

The LTIP provides that (i) the aggregate number of Shares reserved for issuance at any time to any one Eligible Participant and (ii) the aggregate number of Shares issued to any one insider under the LTIP or any other proposed or established share compensation arrangement within any one-year period, shall not exceed 5% of the issued and outstanding Shares at such time. The LTIP also provides that the aggregate number of Shares (i) issued to insiders under the LTIP or any other proposed or established share compensation arrangement within any one-year period and (ii) issuable to insiders at any time under the LTIP or any other proposed or established share compensation arrangement, shall in each case not exceed 10% of the issued and outstanding Shares.

Options granted or awarded under the LTIP may not be assigned or transferred with the exception of an assignment made to a personal representative of a deceased Participant.

#### **The SUP**

On February 26, 2015, the Board of Directors adopted the SUP for the grant of PSUs or RSUs (together, "**Share Units**") to officers, senior Management and other employees of the Corporation and its subsidiaries as the Board of Directors or a Committee appointed by the Board of Directors, as the case may be, shall from time to time determine. For greater certainty, non-employee directors of the Corporation are not Eligible Participants. Share Units are granted under the SUP in order to: (i) increase the interest in the Corporation's welfare of Eligible Participants who share responsibility for the management, growth and protection of the business of the Corporation and its subsidiaries; (ii) furnish an incentive to Eligible Participants to continue their services for the Corporation and its subsidiaries; (iii) provide a means through which the Corporation or its subsidiaries may attract and retain able persons to enter its employment; and (iv) incentivize such other purposes as may be determined by the Board, from time to time.

## ***General Terms Applicable to the SUP***

The SUP is non-dilutive. Settlement of PSUs and RSUs, as the case may be, will be made in cash or in Shares purchased from the open market, at the option of Aimia, pursuant to the terms and conditions described in the SUP. The SUP will not rely upon shares from treasury, nor are there any corresponding Shares reserved in the treasury for purposes of the SUP.

Share Units entitle Participants to receive on the vesting date thereof, cash equal to the market value of the Shares on the vesting date, being the average closing price of the Shares on the TSX for the five (5) trading days during which Shares were traded immediately preceding such date, or, at the Corporation's option, an amount of Shares purchased on the open market with an aggregate value equal to the amount that would have been paid in cash as described above, subject to the terms and conditions set forth in the SUP. The Board has discretion to establish at the time of each grant, within the restrictions set forth in the SUP, the terms and conditions of each PSU or RSU award, as well as the vesting date, the performance objectives (in the case of PSUs) which must be attained for any award, or part thereof, to vest, and other particulars. Unless otherwise determined by the Board of Directors or a Committee of the Board at or after the time of grant, PSU or RSU awards shall be cancelled on the vesting date if the applicable vesting conditions have not been met.

The Board of Directors may also amend, suspend or terminate the SUP or any Share Units granted thereunder at any time, provided that no such amendment, suspension or termination may be made without obtaining any required regulatory approval, if applicable, or alter or impair any accrued rights of a Participant under Share Units previously granted under the SUP, without the consent or the deemed consent of the Participant.

## **The DSU Plan**

The DSU Plan is administered by the Governance and Nominating Committee for the compensation of directors, and by the HRCC for the compensation of designated officers and executives of the Corporation. Directors of the Corporation are automatically eligible to participate in the DSU Plan while the HRCC designates from time to time and at its sole discretion, the designated officers and executives of the Corporation who are eligible to participate in the DSU Plan.

Subject to approval by the Board of Directors, designated officers and executives may elect to convert a portion of their short-term incentive earned into DSUs. In addition, at its discretion, the Board of Directors may from time to time award DSUs to recognize outstanding achievements or for reaching certain corporate objectives or as new hire awards for senior Management. As described earlier, the objectives underlying participation of the Corporation executives in the DSU Plan are to provide significantly longer term engagement of Management in fulfilling value needs of Shareholders, nurture long-term retention of critical talent and support executives in meeting the applicable Shareholding Guidelines for Executives.

Directors are granted annually (and issued quarterly) an amount of DSUs equal to \$70,000 per year for Directors other than the Chairman, and \$110,000 for the Chairman, calculated using the market value of a Share on the date of grant. Directors are required to convert a minimum of 50% of their annual cash Board retainer fee in DSUs until they meet the applicable Shareholding Guidelines for Directors. In addition, Directors may also elect, on an annual basis, to convert all or a portion of their: (i) annual Board cash retainer fees; (ii) annual committee(s) cash retainer fees; and (iii) Board meeting fees, in DSUs.

## **Terms of Grants Under Our Plans**

### ***Specific Terms Related to the Options***

Options are granted under the LTIP. The Board of Directors or the HRCC will (i) set the term of the Options granted under the LTIP, which term cannot exceed ten (10) years and (ii) fix the vesting terms and Date of Grant of Options as it deems appropriate at the time of the grant of such Options. Should the expiration date for an Option fall within a Black-Out Period or within ten (10) Trading Days following the expiration of a Black-Out Period, the expiry date of the Option shall be extended until that date which is the tenth (10<sup>th</sup>) Trading Day following the end of the Black-Out Period.

The exercise price of any Options granted pursuant to the LTIP will be determined by the Board of Directors or the HRCC when such Options are granted, provided that the exercise price shall not be less than the market value of the Shares at the Date of Grant. The "market value" of a Share shall be the average closing price of a Share on the TSX for the five (5) Trading Days preceding the Date of Grant. Should the Date of Grant for any given Option fall within a Black-Out Period or within five (5) Trading Days following the end of a Black-Out Period, the Date of Grant will be presumed to be the sixth (6<sup>th</sup>) Trading Day following the end of such Black-Out Period. No Option shall be exercised by a Participant on a day that is not a Trading Day or during a Black-Out Period.

When exercising Options, a Participant may give the Corporation instructions to sell, at the prevailing market price of the Shares on the TSX at the time of any such sale, the necessary number of Shares issuable upon exercise of such Options to effect payment of the applicable purchase price with the resulting proceeds.

With the consent of the Board of Directors or the HRCC, a Participant may, rather than exercise an Option which the Participant is entitled to exercise under the LTIP, elect to terminate the Option in whole or in part and, in lieu of receiving the Shares to which the terminated Option relates, receive such amount of cash equal to the product of the number of Shares to which the terminated Option relates multiplied by the difference between the fair market value of a Share on the date of termination of the Options and the Option Price of the Shares

to which the terminated Option relates, less any amount withheld on account of income taxes, which withheld income taxes will be remitted by the Corporation. The fair market value of a Share shall be the closing price of a Share on the TSX on the Trading Day on which the election described above is made.

The decision to grant Options and the number of Options granted are subject to the Board's discretion. Options are normally granted under the following conditions:

- seven-year term to expiry; and
- 25% vesting per year over four (4) years.

#### *The Option Grants Awarded in Financial Year 2019*

As approved by the Board of Directors, a total of 618,128 Options were awarded to the CEO and CFO on August 23, 2019, which represents the conversion of PC to long-term incentives upon the completion of the voluntary trading restriction. The exercise price is \$3.25 each and such grants have a seven-year term, with vesting over four (4) years at a rate of 25% per year.

As at December 31, 2019 an aggregate of 3,806,465 Options were outstanding, representing 4.1% of total Shares outstanding. This compares to 5,367,702 Options representing 3.5% of total Shares outstanding as at December 31, 2018. The increase in percentage of total Share outstanding is a result of three Share Issuer Bids in 2019. No Options were granted in 2018 and in 2017, 1,908,108 Options were granted representing 1.25% of the total Shares outstanding.

None of the NEOs exercised any of their vested Options in 2019.

#### **Specific Terms Related to the PSUs**

PSUs are granted to Eligible Participants, from time to time, in the sole discretion of the Board of Directors or the HRCC.

The Board of Directors or the HRCC will fix the period during which PSUs may vest which period shall not exceed three (3) years after the calendar year in which the PSU is granted (the "**Restriction Period**"). Each PSU grant will be subject to certain vesting conditions, including performance criteria, such conditions to be determined by the Board of Directors or the HRCC and to be provided to the Participant under a separate agreement.

PSUs awarded normally cliff vest at the end of a three-year performance period:

- 50% based on achievement of A-EBITDA targets set annually
- 25% based on Total Shareholder Return relative to the companies in the TSX Small Cap Index
- 25% based on Total Shareholder Return relative to the MSCI World Small Cap Index

A-EBITDA targets in the PSU performance condition are established based on Aimia's annual business plan, which are approved by the Board of Directors. The average achievement ratio is then measured on the performance curve at the end of the three-year vesting period to determine performance results. Threshold, target and maximum performance levels and actual performance for this metric are disclosed at the time of payout of the PSUs.

The targets for relative TSR are:

- Threshold: 25<sup>th</sup> percentile performance relative to the peer group results in payout at 50% of target
- Target: 50<sup>th</sup> percentile performance relative to the peer group results in payout at 100% of target
- Maximum: 75<sup>th</sup> percentile performance relative to the peer group results in payout at 150% of target

Performance below threshold (below 25<sup>th</sup> percentile) will result in zero payout. In addition, if absolute performance is negative for any performance period, payout is capped at 100% of target, regardless of whether relative performance exceeds target.

The Participant will be entitled to receive, as soon as possible upon confirmation by the Board of Directors or the HRCC that the vesting conditions (including the performance criteria) have been met, payment for each awarded PSU in the form of Shares purchased on the open market, cash, or a combination of Shares purchased on the open market and cash, at the discretion of the Board of Directors or the HRCC. For the purposes of such payment, the market value of Shares shall be the average closing price of a Share on the TSX for the five (5) Trading Day period immediately following the determination by the Board or the HRCC that the vesting conditions have been met. Should the Board or the HRCC confirm that the vesting conditions have been met during a Black-Out Period, any cash payment shall be determined based on the average closing price of a Share on the TSX for the five (5) Trading Days following the end of the Black-Out Period.

### *The PSU Grants Awarded in Financial Year 2019*

As approved by the Board of Directors, a total of 394,057 PSUs were awarded to the CEO and CFO on August 23, 2019, which represents the conversion of PC to long-term incentives upon the completion of the voluntary trading restriction. Furthermore, the Board of Directors had approved the CEO's signing bonus in the form of PSUs in 2018 that was granted upon the completion of the voluntary trading restriction, as described in the following table:

<b>Grant Date</b>	<b>Number of PSUs Granted</b>	<b>PSU Grant Price</b>
June 12, 2019	139,665	\$3.58

### ***Specific Terms Related to the RSUs***

RSUs are granted under the SUP. RSUs will be granted to Eligible Participants, from time to time, in the sole discretion of the Board of Directors or the HRCC.

The Board of Directors or the HRCC will fix the period during which RSUs may vest which period shall not exceed the Restriction Period. Each RSU grant will be subject to certain vesting conditions, such conditions to be determined by the Board of Directors or the HRCC and to be provided to the Participant under a separate agreement.

### *The RSU Grants Awarded in Financial Year 2019*

No RSUs were granted in 2019.

### ***Specific Terms Related to the DSUs***

A Participant in the DSU Plan is not entitled to exercise any Shareholder rights with respect to the Shares relative to DSUs that were granted to such Participant. Additional DSUs are received as dividend equivalents. Vesting conditions may be attached to DSUs at the Board's discretion.

In the event of the occurrence of a Change in Control as defined in the Change in Control Policy, the Board of Directors may make such provision as the Board, in its discretion, considers appropriate in the circumstances, to ensure the value of DSUs prior to the implementation of any such transaction is not detrimentally affected as a result thereof.

### *The DSU Grants Awarded in Financial Year 2019*

During financial year 2019, no DSUs were granted to non-executive Directors of the Corporation. Senior Management may also elect to receive all or part of their short-term incentive payout in the form of DSUs.

## **Treatment Upon Termination of Employment**

### ***Treatment Upon Termination of Employment – Options***

Unless the Board of Directors or the HRCC decides otherwise, Options granted under the LTIP will expire at the earlier of the expiration of the original term of the Option and (i) the Participant's Termination Date when the Participant's employment has been terminated for "cause"; (ii) on the thirty-first (31<sup>st</sup>) day following the Participant's Termination Date when the Participant's employment has been terminated voluntarily or by the Corporation for reasons other than for "cause"; (iii) twelve (12) months after the Participant's death; or (iv) three (3) years after the Participant's Retirement.

Upon a Participant's voluntary leave of absence, including without limitation, maternity and paternity leaves or disability which does not lead to a termination of employment, or when a Participant's employment has been terminated by reason of injury or disability, any Options or unexercised part thereof granted to such Participant may be exercised as the rights to exercise accrue, with the consent of the Corporation's Chief Executive Officer or the Board of Directors in the case of members of the Corporation's executive management committee.

### ***Treatment Upon Termination of Employment – PSUs/RSUs***

Unless otherwise determined by the Board of Directors or a committee of the Board, upon a Participant's employment with the Corporation or one of its subsidiaries being terminated voluntarily by such Participant or being terminated for "cause", the Participant's participation in the SUP shall be terminated on such Participant's Termination Date (being, in the event the Participant is terminated by the Corporation or one of its subsidiaries, the date stipulated in a notice given in writing or verbally to a Participant informing him/her that his/her active employment with the Corporation and its subsidiaries will end, or, in the event of a Participant's voluntary termination, the date at which the Participant ceases to be an employee of the Corporation or one of its subsidiaries or at such a later date as may be directed by the Corporation), all Share Units that have not vested shall be forfeited and cancelled, and any Participant's rights related to such unvested Share Units shall be forfeited and cancelled on the Termination Date.



Unless otherwise determined by the Board of Directors or a committee of the Board, upon a Participant's termination of employment for reasons other than for cause, the Participant's participation in the SUP shall be terminated on such Participant's Termination Date, provided, however, that all unvested Share Units shall remain in effect until the end of the applicable Restriction Period (being, the period of time starting on the award date and ending on the vesting date). At the end of such Restriction Period, the Board of Directors or a Committee of the Board will evaluate whether the vesting conditions and performance criteria were met in order to determine the amount of the payment to which the Participant is entitled, if any, in accordance with the following formula:

$$\frac{\begin{array}{c} \text{Number of unvested Share Units} \\ \text{outstanding in the Participant's} \\ \text{account} \end{array} \times \begin{array}{c} \text{Number of completed months during the} \\ \text{applicable Restriction Period, as of the date} \\ \text{of the Participant's termination} \end{array}}{\begin{array}{c} \text{Total number of months included in the} \\ \text{applicable Restriction Period} \end{array}}$$

Upon a Participant's death, the Participant's participation in the SUP shall be immediately terminated, provided, however, that the Participant's legal representatives shall be entitled to receive that number of Shares equal to the number of unvested Share Units outstanding in the Participant's account, as if the applicable vesting conditions related to those Share Units were met, and pro-rated in the same manner as set forth in the formula above.

Upon a Participant's retirement or termination of employment for reason of injury or disability or in the case of disability which does not lead to a termination of employment, all unvested Share Units shall remain in effect until the end of the applicable Restriction Period as if the Participant was still employed by the Corporation or not disabled.

Upon a Participant electing a voluntary leave of absence, the Participant's participation in the SUP shall be suspended during such leave of absence, provided that all unvested Share Units in the Participant's account as of such date relating to a Restriction Period in progress shall remain in effect until the end of the applicable Restriction Period. At the end of such Restriction Period, the Board of Directors or a Committee of the Board will evaluate whether the vesting conditions and performance criteria were met in order to determine the amount of the payment to which the Participant is entitled, if any, in accordance with the formula set forth above.

#### ***Treatment Upon Termination of Employment – DSUs***

Upon termination of service, a Participant in the DSU Plan shall be entitled to receive for each DSU credited to his account the payment in cash of the value of a Share (the "**Share Value**") at the market price on the date of his termination of service, provided, however, that if a Participant's termination of service occurs concurrently with the occurrence of a Black-Out Period (as defined in the DSU Plan), the market price shall, in such case, be calculated at the end of the fifth (5<sup>th</sup>) trading day immediately following the last day of such Black-Out Period. No guarantee of the market value of the Shares is attached to the Share Value.

#### ***Impact of a Change of Control***

Subject to the provisions contained in any employment agreement between a holder of PSUs, RSUs and/or Options and the Corporation and the Change in Control Policy described starting on page 54 of the Information Circular, if (i) any person becomes the beneficial owner, directly or indirectly, of 50% or more of either the issued and outstanding Shares or the combined voting power of the Corporation's then outstanding voting securities entitled to vote generally in the election of directors; (ii) any person acquires, directly or indirectly, securities to which is attached the right to elect the majority of the directors of the Corporation; (iii) the Corporation undergoes a liquidation or dissolution or sells all or substantially all of its assets; (iv) as a result of or in connection with: (A) a contested election of directors, or (B) a merger, consolidation, reorganization or acquisition involving the Corporation or any of its affiliated entities and another corporation or other entity, the nominees named in the most recent Information Circular of the Corporation for election to the Board no longer constitute a majority of the Board; or (v) a merger or consolidation of the Corporation is consummated with any other Person, other than (A) a merger or consolidation that would result in the voting securities entitled to vote generally in the election of directors outstanding immediately prior thereto continuing to represent, in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Corporation, at least 50% of the combined voting power of the voting securities entitled to vote generally in the election of directors of the Corporation or such surviving entity or parent thereof outstanding immediately after such merger or consolidation, or (B) a merger or consolidation effected to implement a recapitalization of the Corporation in which no Person is or becomes the beneficial owner, directly or indirectly, of securities of the Corporation representing 50% or more of the combined voting power of the Corporation's then outstanding securities, the Board of Directors may make such provision for the protection of the rights of the Participants as the Board of Directors, in its discretion, considers appropriate in the circumstances, including, without limitation, changing the vesting for the Options and/or the date on which any Option expires or the Restriction Period for the PSUs or RSUs.

For greater certainty, unless the Board decides otherwise, the consummation of any transaction or series of transactions immediately following which the record holders of the Shares immediately before such transaction or series of transactions continue, directly or

indirectly, to have substantially the same proportionate ownership in any entity which owns all or substantially all of the assets of the Corporation immediately following such transaction or series of transactions, shall not constitute a Change in Control.

## Definition of Terms used in the Incentive Plans

Definitions of capitalized terms of the incentive plans that are used in this Appendix B are reproduced below:

- **"Black-Out Period"** means a period during which designated employees of the Corporation cannot trade Shares pursuant to the Corporation's policy respecting restrictions on employee trading which is in effect at that time (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Corporation, or in respect of an Insider (as such term is defined under the *Securities Act* (Ontario)), that Insider, is subject);
- **"Business Day"** means a day other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in the City of Montréal, in the Province of Québec, for the transaction of banking business;
- **"Date of Grant"** means the date on which an Option, PSU or RSU is granted under the LTIP or SUP, as applicable, which date may be on or, if so determined by the Board at the time of grant, after the date that the Board resolves to grant the Option, PSU or RSU, provided that if the date on which the Board resolves to grant an Option, PSU or RSU falls within a Black-Out Period or within five Trading Days following the end of a Black-Out Period, the Date of Grant shall be presumed to be the sixth Trading Day following the end of such Black-Out Period;
- **"Eligible Participants"** or **"Participants"** are defined in the LTIP and SUP as being officers, senior executives and other employees of the Corporation as the Board of Directors or HRCC shall from time to time determine are in key positions in the Corporation. For greater certainty, non-employee directors of the Corporation are not Eligible Participants;
- **"Insider"** has the meaning given to this term in the *Securities Act* (Ontario), as such legislation may be amended, supplemented or replaced from time to time, and also includes "associates" and "affiliates" of an Insider, as such terms are also defined in such legislation;
- **"Retirement"** means the termination of employment at age 60 or later (or earlier with the consent of the Corporation's Group Chief Executive, or the Board in the case of members of the Corporation's executive management committee);
- **"Termination Date"** means (i) in the event of a Participant's (as defined above) voluntary termination, the date on which such Participant ceases to be an employee of the Corporation or a subsidiary; (ii) in the event of the termination of the Participant's employment by the Corporation or a subsidiary, the date on which such Participant is advised by the Corporation or the subsidiary, as the case may be, in writing or verbally, that his/her services are no longer required; or (iii) such later date as may be directed by the Corporation; and
- **"Trading Day"** means a Business Day on which a sale of Shares occurred on the TSX.

## Amendment Provisions of the Incentive Plans

### *Amendment Provisions of the LTIP*

The LTIP includes amendment procedures pursuant to which the Board may amend the LTIP, or any Option or PSU outstanding under the LTIP, provided that such amendment shall: (a) not adversely alter or impair any Option or PSU previously granted, except for certain adjustments in the case of changes affecting the Shares ("**Shares Adjustments**"); (b) be subject to any regulatory approvals including, where required, the approval of the TSX; and (c) be subject to Shareholder approval, where required by law or the requirements of the TSX, provided that Shareholder approval shall not be required for the Board of directors to make the changes which may include but are not limited to: (a) amendments of a "housekeeping" nature; (b) a change to the vesting provisions of any Option or PSU; (c) the introduction or amendment of a cashless exercise feature payable in securities, whether or not such feature provides for a full deduction of the number of underlying securities from the LTIP reserve; (d) the addition of a form of financial assistance and any amendment to a financial assistance provision which is adopted; (e) a change to the Eligible Participants of the LTIP, including a change which would have the potential of broadening or increasing participation by Insiders; and (f) the addition of a deferred or restricted share unit or any other provision which results in Participants receiving securities while no cash consideration is received by the issuer.

Notwithstanding the foregoing, the Board shall be required to obtain Shareholder approval to make the following amendments: (a) any change to the maximum number of Shares issuable from treasury under the LTIP, including an increase to the fixed maximum number of Shares or a change from a fixed maximum number of Shares to a fixed maximum percentage, except in case of Shares Adjustments; (b) any amendment which reduces the exercise price of any Option after the Option has been granted or any cancellation of an Option and the substitution of that Option by a new Option with a reduced price, except in the case of Shares Adjustments; (c) any exchange or buy-out of any Option for cash or other property, in a case where the exercise price of such Option is below the prevailing price of one Share on the TSX; (d) any amendment which extends the expiry date of any Option or the Restriction Period of any PSU beyond the original expiry date, except in case of an extension due to a Black-Out Period; (e) any amendment which would allow non-employee directors to be eligible for awards under the LTIP; (f) any amendment which would permit any Option granted under the LTIP or PSU to be transferable or assignable by any Participant other than by will or pursuant to the laws of succession; (g) any amendment which allows a payment of PSUs through the use of Shares issued from treasury; (h) any amendment which increases the maximum number of Shares that may be issued to Insiders as a group or any one Insider under the LTIP or any other proposed or established share compensation arrangement, except in case of Shares Adjustments; and (i) any amendment to the amendment provisions of the LTIP, provided that

Shares held directly or indirectly by Insiders benefiting from the amendments in (b) and (d) shall be excluded when obtaining such Shareholder approval.

***Amendment Provisions of the SUP***

The Board may amend, suspend or terminate the SUP or any Share Units granted thereunder at any time, provided that no such amendment, suspension or termination may (a) be made without obtaining any required regulatory approval, if applicable; and (b) alter or impair any accrued rights of a Participant under Share Units previously granted under the SUP, without the consent or the deemed consent of the Participant.

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