

QUARTERHILL INC.
GOVERNANCE COMMITTEE CHARTER

Establishment and Purpose

The Board of Directors (the “Board”) of Quarterhill Inc. (“Quarterhill”) has established a Governance Committee (the “Committee”) to take a leadership role in shaping corporate governance for Quarterhill Inc. and its subsidiaries (collectively, the “QH Group”) by overseeing and assessing the functioning of the Board and its committees and by developing, implementing and assessing effective corporate governance processes and practices.

Appointment and Removal

The Committee shall consist of not less than two directors (the “Members”) appointed annually by the Board. Any Member may be removed or replaced at any time by the Board. A Member shall cease to be a Member upon ceasing to be a member of the Board.

A majority of the Members shall be both “unrelated” directors and “independent” directors (as such terms are defined under the requirements or guidelines in applicable laws, regulations and policies and the rules of the Toronto Stock Exchange and/or the Nasdaq Global Select Market).

Structure and Reporting

The Committee shall meet as required, but shall meet at least once annually prior to and in preparation for Quarterhill’s annual meeting of shareholders for that year. A majority of the Committee shall constitute quorum. Quarterhill’s Chief Executive Officer is expected to attend each meeting of the Committee and attendance by each of Quarterhill’s Chief Financial Officer, General Counsel and Corporate Secretary is desirable.

The Committee shall report to the Board on all of its proceedings, deliberations, decisions and recommendations at the first meeting of the Board following any meeting of the Committee, and at such other times and in such manner as the Board may require or as the Committee may, in its discretion, consider advisable.

Authority

The Committee shall have full access to all QH Group books, records, facilities and personnel. The Committee may require such QH Group officers, directors and employees as it may see fit, from time to time, to provide any information about QH Group as it may deem appropriate to request, and to attend and assist at meetings of the Committee. The Committee may adopt policies and procedures for carrying out its responsibilities. The Committee may, in its sole discretion and at Quarterhill’s expense, retain and agree to compensate outside advisors to assist with the performance of its responsibilities. The Committee may delegate, from time to time, to any person, including any individual Member or subcommittee of Members, any of the Committee’s responsibilities that may lawfully be so delegated.

Responsibilities

In furtherance of the Committee’s purposes, the Committee shall:

- (a) make recommendations to the Board on an ongoing basis concerning corporate governance in general and regarding the Board’s stewardship role in managing Quarterhill including the roles

and responsibilities of directors and the recommendation of appropriate policies and procedures to ensure directors carry out their duties with due diligence and in compliance with all legal requirements;

- (b) recommend to the Board a system of corporate governance policies and procedures, monitor the system's implementation and, as appropriate, recommend updates and improvements to the system;
- (c) monitor outside corporate governance regulations, developments, trends and best practices, keep the Board sufficiently informed of such matters and recommend related actions (including amendments to any corporate governance documents and/or policies) to the Board as appropriate;
- (d) co-ordinate an annual corporate governance review by the Board;
- (e) ensure that all required corporate governance disclosures, including disclosures in Quarterhill's annual proxy circular, are duly reported on, and approve the information to be so reported;
- (f) report to the Board on the Committee's recommendations regarding any shareholder proposals required by law to be included in Quarterhill's annual proxy circular, if any;
- (g) review with legal counsel Quarterhill's compliance with applicable laws and regulations and any inquiries received from regulators and other governmental authorities, and report any related matters to the Board;
- (h) on an annual basis, review the charters and/or mandates of the Board and its committees and the position descriptions of the Chair of the Board, the Lead Director of the Board (if any) and of Quarterhill's Chief Executive Officer and any recommendations received from the Board or its committees relating to such documents, and recommend any appropriate changes;
- (i) establish procedures for effective Board meetings and otherwise ensure that processes, procedures and structures are in place to ensure that the Board functions independently of Quarterhill management and without any conflicts of interest;
- (j) ensure that appropriate processes are established by the Board to fulfill its responsibility for (i) the oversight of Quarterhill's strategic direction and the development and review of Quarterhill's ongoing results of operation and (ii) the oversight of Quarterhill's investor relations and public relations activities and procedures for the effective monitoring of Quarterhill's shareholder base, receipt of shareholder feedback and responses to shareholder concerns;
- (k) review and assess the adequacy of Quarterhill's strategic corporate policies including its Corporate Disclosure and Confidentiality Policy, Insider Trading Policy, Code of Business Conduct and Ethics and other relevant policies associated with ensuring an effective system of corporate governance (collectively, the "Policies"), including recommending to the Board any amendments to any such Policy;
- (l) authorize and oversee the investigation of any alleged breach of any Policy;
- (m) annually evaluate the Committee's performance as compared to the requirements of this Charter;

- (n) annually review this Charter and any other documents relied upon by the Committee in fulfilling its responsibilities together with their adequacy in respect of such responsibilities; and
- (o) take such other ancillary actions regarding Quarterhill's corporate governance that the Committee or the Board shall reasonably deem to be appropriate and in the best interests of Quarterhill or as shall otherwise be required by applicable laws, regulations and policies and/or the rules of the Toronto Stock Exchange and/or the Nasdaq Global Select Market.

Chairperson

The Board shall also annually appoint a Chairperson of the Committee from among the Members. The Chairperson's role is to ensure the Committee functions properly, meets its obligations and responsibilities, fulfils its purpose and that its organization and mechanisms are in place and working effectively. Specifically, the Chairperson shall:

1. chair meetings of the Committee;
2. together with the Chairperson of the Board, the Lead Director of the Board (if any), the Members, Quarterhill's Chief Executive Officer and Quarterhill's Corporate Secretary, set agendas for meetings of the Committee;
3. together with the Chairperson of the Board, the Lead Director of the Board (if any), the Members, Quarterhill's Chief Executive Officer and Quarterhill's Corporate Secretary, ensure that agenda items for all Committee meetings are ready for presentation and that adequate information is provided to all Members in advance of all meetings of the Committee to ensure Members may properly inform themselves as to matters to be acted upon;
4. assign work to Members;
5. act as liaison and maintain communications with the Board and its Chairperson and its Lead Director (if any) to optimize and co-ordinate input from directors and to optimize the effectiveness of the Committee; and
6. provide leadership to the Committee with respect to its functions as set out in this Charter and as may otherwise be appropriate.