

QUARTERHILL INC.  
COMPENSATION COMMITTEE CHARTER

Establishment and Purpose

The Board of Directors (the “**Board**”) of Quarterhill Inc. (“**Quarterhill**”) has established a Compensation Committee (the “**Committee**”) to assist the Board in discharging the Board’s oversight responsibilities relating to the compensation, development, succession and retention of Quarterhill’s Chief Executive Officer (the “**CEO**”) and the key employees of Quarterhill and its subsidiaries (collectively, the “**QH Group**”), and the establishment of fair and competitive compensation and performance incentive plans.

Appointment and Removal

The Committee shall consist of two or three 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. Subject to applicable laws and the requirements of any applicable stock exchange or other regulatory body, each of the Chairperson of the Board and the Vice-Chairperson of the Board shall serve as an *ex officio* member of the Committee unless such person serves as an official Member.

All of the Members shall be both “unrelated” directors and “independent” directors (as such terms are defined under the requirements or guidelines for compensation committee service in applicable securities laws and the rules of any stock exchange on which Quarterhill’s securities are listed for trading).

Structure and Reporting

The Committee meets as required, but at least once annually. A majority of the Committee shall constitute a quorum. The CEO is expected to attend each meeting of the Committee and attendance by other Quarterhill executives may be requested by the Committee; **provided**, however, that the CEO or any other such executives may not be present during the Committee’s voting or deliberations on their respective compensation.

Minutes shall be kept of all meetings of the Committee and shall be signed by the chair and the secretary of the meeting. The Chair shall make the minutes of the meetings of the Committee available to all members of the Board. In addition, the Committee shall report to the Board on all proceedings, deliberations, decisions and recommendations of the Committee at the first subsequent meeting of the Board, 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, unrestricted direct access to all QH Group books, records, facilities, and personnel, and shall be provided with the resources necessary to carry out its duties. 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 the QH Group as it may deem

appropriate and to attend and assist at meetings of the Committee. The Committee may adopt policies and procedures for carrying out its responsibilities.

Subject to applicable securities laws and the rules of any stock exchange on which Quarterhill's securities are listed for trading), the Committee may, in its sole discretion and at Quarterhill's expense, appoint, retain or obtain the advice of, and agree to compensate, compensation consultants, independent legal counsel or outside advisors to assist with the performance of its duties and the Committee shall be directly responsible for such appointment, compensation and oversight. Quarterhill shall provide for appropriate funding, as determined by the Committee in its capacity as a committee of the Board, for payment of reasonable compensation to any compensation consultant, independent legal counsel or other adviser retained by the Committee.

The Committee may delegate from time to time to any person, including any individual member of the Committee, or subcommittee, any of the Committee's responsibilities that lawfully may be delegated.

### Responsibilities

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

- (a) act as the Board committee responsible for overseeing the administration by Quarterhill management of its incentive, stock option, stock purchase, restricted stock unit, deferred stock unit and other equity compensation plans (collectively, the "**Plans**") and any amendments to the Plans;
- (b) review and recommend to the Board corporate goals and objectives relevant to the compensation of the CEO and each of the CEO's direct reports, evaluate and report to the Board the performance of each such person in light of those corporate goals and objectives and recommend to the Board each such person's compensation level based on those evaluations;
- (c) recommend to the Board the appointment/termination of the CEO;
- (d) based on compensation adjustments within the approved annual budget and recommendations from the CEO, recommend to the Board the appointment, promotion, termination and compensation (including any awards under any Plan) of each of Quarterhill's Chief Financial Officer, Chief Operating Officer, General Counsel and Corporate Secretary and/or each other senior executive of the QH Group that is designated by resolution of the Board from time to time, if any, it being understood that:
  - (i) the appointment, promotion, termination and compensation (including, without limitation, base salary, severance and any other incentive compensation) of all other QH Group employees is in the discretion of the CEO within the approved annual budget;
  - (ii) minor compensation matters applying generally to QH Group employees

(including any senior executives of the QH Group) are in the discretion of the CEO; and

- (iii) the Board may, by resolution from time to time, authorize the CEO to make grants under any Plan at the CEO's discretion to any QH Group employee subject to the terms of any such resolution;
- (e) recommend to the Board from time to time the amount, determination and payment of remuneration to be paid by Quarterhill to the members of the Board in light of their time commitment, fees paid by comparable companies and their responsibilities;
- (f) assist the CEO by advising on major organizational changes and significant new human resources policies/programs or material changes to existing human resource policies and programs;
- (g) review and monitor, on at least an annual basis, compensation and benefits programs;
- (h) periodically review Quarterhill's human resources policies;
- (i) review and monitor the overall employment environment and consider any other human resources issues as it considers appropriate or as may be referred to it by the Board;
- (j) annually evaluate the Committee's performance as compared to the requirements of this Charter; and
- (k) annually review the Committee's Charter and any other documents used by the Committee in fulfilling its responsibilities.

#### Chairperson

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

- (a) chair meetings of the Committee;
- (b) in consultation with the Chairperson of the Board, the Members, the CEO and such other Quarterhill executives as deemed necessary, set the agenda for the meetings of the Committee;
- (c) in collaboration with the Chairperson of the Board, the CEO and Quarterhill's Corporate Secretary, ensure that agenda items for all Committee meetings are ready for presentation and that adequate information is distributed to Members in advance of such meetings in order that Members may properly inform themselves on matters to be acted upon;

- (d) assign work to Members;
- (e) act as liaison and maintain communication with the Chairperson of the Board and the Board to optimize and co-ordinate input from directors and to optimize the effectiveness of the Committee; and
- (f) provide leadership to the Committee with respect to its functions as described in the Committee's Charter and as otherwise may be appropriate.