Annual Information Form

people CORPORATION®

Experience the Benefits of People

January 7, 2021

PEOPLE CORPORATION

Annual Information Form
January 7, 2021

TABLE OF CONTENTS

PRESENTATION OF INFORMATION

This Annual Information Form ("**AIF**") is intended to provide material information about People Corporation (the "**Company**") and its business. In this AIF, the "Company", "we", "us", and "our" refers to People Corporation and its subsidiaries on a consolidated basis.

Unless otherwise indicated, all information in this AIF is presented at and for the Company's financial year and fourth quarter ended August 31, 2020. All amounts in the AIF are expressed in thousands of Canadian dollars except share information. Financial information is presented in accordance with International Financial Reporting Standards (IFRS).

This AIF and other information about the Company can be accessed on the System for Electronic Document Analysis and Retrieval (**SEDAR**) at www.sedar.com or by writing to Jonathan Ross, Investor Relations, LodeRock Advisors Inc., 202-1 Toronto Street, Toronto, ON M5C 2V6.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this AIF from documents filed with securities commissions or similar authorities in Canada. Copies of documents incorporated herein are available electronically on SEDAR.

The following documents of the Company are specifically incorporated by reference to and form an integral part of this AIF:

- the audited consolidated financial statements of the Company, including the consolidated statements of financial position as at August 31, 2020 and 2019 and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years then ended, together with the notes thereto and the independent auditor's report thereon, as filed on SEDAR on December 7, 2020 (the "**Financial Statements**"); and
- Management's Discussion and Analysis for the year ended August 31, 2020, as filed on SEDAR on December 7, 2020 (the "**MD&A**").

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This AIF contains "forward-looking statements" within the meaning of applicable securities laws and information including, without limitation, matters relating to the Arrangement (as defined herein), financial and business prospects and financial outlooks and may be forward-looking statements that reflect management's expectations regarding future plans and intentions, growth, results of operations, performance and business prospects and opportunities. Use of words such as "may", "will", "expect", "believe", "intends", "likely", or other words of similar effect may indicate a "forward-looking" statement. These statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including the Company's ability to maintain profitability and manage organic or acquisition growth; reliance on information systems and technology; reputation risk; dependence on key clients; reliance on key professionals; general economic and market conditions; risk factors set out in the January 2021 Circular (as defined herein); and other risk factors set out in the AIF under the heading "**Risk Factors**". Many of these risks and uncertainties can affect the Company's actual results and could cause actual results to differ materially from those express or implied in any forward-looking statement made by the Company or on its behalf. Given these risks and uncertainties, readers are cautioned this foregoing list of risk factors is not exhaustive and not to place undue reliance on forward-looking statements as a prediction of actual results. All forward-looking statements in this AIF are qualified by these cautionary statements. Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. These forward-looking statements reflect management's current beliefs and are based on information currently available to management as at the date of this AIF and People Corporation assumes no obligation to update or revise them to reflect new events or circumstances unless otherwise required by law.

CORPORATE STRUCTURE

Name, Formation and Incorporation

The full corporate name of the Company is People Corporation. The Company is incorporated pursuant to the *Business Corporations Act* (Ontario). The registered office of the Company is c/o McMillan LLP, 181 Bay Street, Suite 4400, Toronto, Ontario M5J 2T3. The executive offices of the Company are located at 1403 Kenaston Boulevard Winnipeg, Manitoba, R3P 2T5.

Intercorporate Relationships

The following chart shows the Company's principal subsidiaries and their jurisdictions of incorporation as at January 7, 2020. The Company owns 100% of the voting shares of all the principal subsidiaries. With respect to those subsidiaries in respect of which the Company shares the economic interest with the principals thereof, the chart indicates the percentage of economic interest attaching to the non-voting securities of these subsidiaries that are held by the Company.

Entity	**Acquisition Date**	**Description**
Hamilton + Partners Inc.[1]	09/07/2013	Group benefits and disability insurance consulting firm based in Calgary, AB. Operating as Hamilton + Partners whose wholly-owned material subsidiaries are Employee Benefits Inc. and Disability Concepts Inc.
Coughlin & Associates Ltd.[2]	12/06/2015	Group benefit consulting, pension servicing and consulting, administrative solutions and claims management services to corporate, union and public service organizations throughout Canada. Coughlin is based out of Ottawa, ON and Winnipeg, MB.
BPA Financial Group Limited[3]	13/04/2016	Group benefit and pension administration, consulting and claims management services. BPA is based out of Mississauga, ON with additional offices throughout Ontario and Eastern Canada. Wholly-owned material subsidiaries of BPA are Benefit Plan Administration Services Limited, Benefit Plan Administrators Limited and TAL Insurance Brokers Limited.
People Corporation Partner Solutions Inc.[4]	12/04/17	Third party administration and third party payor services for employee benefit plans, comprised of divisions operating out of Winnipeg, MB and Richmond Hill, ON.
Lane Quinn Benefits Consultants Ltd.	23/05/2018	Group benefit consulting, group benefit and group retirement advisory services. Lane Quinn has offices in Calgary, Edmonton and Vancouver.

[1] The Company holds a 77.5% and 60.0% economic interest in Employee Benefits Inc. and Disability Concepts Inc., respectively.

[2] The Company holds an 83.5% economic interest in Coughlin & Associates Ltd. The Company's economic interest decreased from 88.0% to 83.5% effective after the first quarter of financial year 2021.

[3] The Company holds a 72.0% economic interest in BPA Financial Group Limited. The Company's economic interest decreased from 77.6% to 72.0 effective the first quarter of financial year 2021.

[4] On September 1, 2020, Sirius Benefit Plans Inc. ("**Sirius**") legally amalgamated with GroupQuest Benefits Resources Inc. (an entity of the Apri Group of Companies) under a new name, People Corporation Partner Solutions Inc. and continues to carry on business under the business names Sirius and GroupQuest. The Acquisition Date set out in the chart is the date of acquisition of Sirius.

Silverberg & Associates Inc.[5]	01/08/2018	Employee benefits consulting and group retirement solutions. Silverberg has offices located in Calgary, Edmonton and Lethbridge.
Life Benefit Solutions Inc.	11/02/2019	Employee group benefits and retirement solutions consulting firm primarily focused on First Nation communities and organizations. Life Inc. is based in Winnipeg, MB.
ACL Student Benefits Ltd.	30/07/2019	Company providing consulting services related to health and dental benefits to student associations in Canada, including international students attending Canadian Universities/Collages. ACL is based in Toronto, ON.
Apri Insurance Services Inc.	28/11/2019	National group benefits consulting firm, group benefits managing general agency and third-party administrator based in Richmond Hill, ON.
Alliance Pour la Santé Édudiante au Québec Inc./Quebec Student Health Alliance Inc. ("**ASEQ**")	01/12/2020	Company providing consulting services related to health and dental benefits to student associations across Canada, with a significant presence in Quebec, based in Montreal, QC.

** See "**Practice Areas**" for an overview of the Company's operating divisions.

GENERAL DEVELOPMENT OF THE BUSINESS

The Company delivers employee group benefit consulting, third-party benefit administration services, group retirement consulting, claims processing and payment, disability management and administration services and strategic human resource consulting and recruitment services, to help companies attract, retain and reward employees.

The Company maintains a corporate strategic plan, a financial plan and an ongoing annual planning process that enables the Company to continue to grow and execute on its vision. The Company's priority is the continued profitable expansion of existing operations through a focus on organic growth and the acquisition of synergistic companies with a view to maximizing value for its stakeholders: i) shareholders, ii) clients, iii) acquisition partners, iv) suppliers, and v) employees. The Company has financial and management resources in place to execute these priorities.

Recent Developments

Arrangement

On December 13, 2020, the Company entered into a definitive arrangement agreement (the "**Arrangement Agreement**") pursuant to which investment funds managed by Goldman Sachs Merchant Banking Division (collectively, "**Goldman Sachs**"), have agreed to indirectly acquire, through 2799825 Ontario Inc., an entity controlled by Goldman Sachs (the "**Purchaser**"), all of the issued and outstanding common shares of the Company (the "**common shares**"). Under the terms of the Arrangement (as defined below), holders of common shares will receive $15.22 in cash per common share (other than the Rollover Shareholders (as defined in the Arrangement Agreement) who will receive Rollover Consideration (as defined in the Arrangement Agreement)), representing a total equity value of approximately $1.13 billion (the "**Transaction**").

[5] The Company holds 75.0% economic interest in Silverberg & Associates Inc.

The Transaction will be effected by way of a plan of arrangement (the "**Arrangement**") completed under the *Business Corporations Act* (Ontario). The Transaction will constitute a "business combination" for the purposes of Multilateral Instrument 61-101 ("**MI 61-101**") and therefore requires approval by (i) at least 66 2/3% of the votes cast by the Company's shareholders present in person or represented by proxy and entitled to vote at a special meeting of Company shareholders (the "**Meeting**") and (ii) a simple majority of the votes cast by the Company's shareholders at the Meeting, excluding those common shares held by the Rollover Shareholders. The Meeting is expected to take place on February 11, 2021.

The full text of the Arrangement Agreement has been filed by the Company with the Canadian securities regulators and is available on SEDAR at www.sedar.com.

Acquisitions

Subsequent to August 31, 2020, the Company completed the following acquisitions, which fall under the Company's Consulting Solutions practice area:

On October 2, 2020, the Company acquired Encompass Benefits & Hr Solutions Inc. ("**Encompass**"), a regional group benefits and group retirement consulting firm based in Kelowna, British Columbia.

On October 30, 2020, the Company acquired Watermark Benefits Consultants Ltd. ("**Watermark**"), which designs and delivers group benefits and group retirement solutions with expertise in serving organizations with international employee bases and is based in Calgary, Alberta.

On December 1, 2020, the Company acquired ASEQ, a provider of student health and dental benefits as well as wellness solutions headquartered in Montreal, Quebec.

Updates Relating to COVID-19

For updates related to the impact on the Company of the COVID-19 pandemic please see "Description of the Business – General" and "Risk Factors - Canadian Economy and Competitive Conditions".

Three Year History

The Company's revenue compounded annual growth rate ("**CAGR**") over the past three years was 25.8%. Revenue growth year over year is the result of both organic and acquisitive growth. Organic growth during fiscal 2020 - 9.2%, 2019 - 8.9%, and 2018 - 10.1% has remained fairly consistent while acquired growth has fluctuated based on the number, size, and timing of acquisitions completed and was as follows: fiscal 2020 - 20.6%, 2019 -15.6%, and 2018 - 13.2%.

On February 21, 2020, the Company acquired Integrated Benefit Consultants Ltd. ("**IBC**"), a group benefits consulting firm based in Red Deer, Alberta.

On January 30, 2020 the Company acquired Robin Veilleux Assurances et Rentes Collectives Inc. ("**RVARC**"), a group benefits consulting firm based in Quebec City, Quebec.

On November 28, 2019, the Company acquired the Apri Group of Companies ("**Apri**"), a national group benefits consulting firm, group benefits managing general agency, and third-party administrator headquartered in Richmond Hill, Ontario.

On October 31, 2019, the Company acquired Collage Technologies Inc. ("**Collage**"), a leading cloud-based digital human resource, employee benefits administration and payroll solution provider focused on the small and medium-sized business segment in Canada.

On July 30, 2019, the Company acquired all of the shares of ACL Student Benefits Ltd. ("**ACL**"). ACL, established in 1998 and based in Ontario, is one of the largest privately-owned post-secondary student benefits consulting firms in Canada.

On February 11, 2019, the Company acquired all of the shares of Life Benefit Solutions Inc. ("**Life**"). Life, established in 2005 and based in Manitoba, provides group benefits consulting and group retirement solutions primarily focused on the First Nation market.

On November 27, 2018, the Company acquired 100% of the voting shares and 75% of the economic interest of Benefits Partners Inc. ("**BPI**"). BPI, established in 1995 and based in Ontario, provides group benefits consulting and group retirement solutions.

On August 1, 2018, the Company acquired 100% of the voting shares and 75% of the economic interest of Silverberg & Associates Inc. ("**Silverberg**"). Silverberg, established in 1996 and based in Alberta, provides group benefits and group retirement advisory services.

On May 23, 2018, the Company acquired all of the shares of Lane Quinn Benefit Consultants Ltd. ("**Lane Quinn**"). Lane Quinn, established in 2001 and based in Alberta, provides group benefits and group retirement advisory services.

On February 1, 2018, the Company acquired specific assets and business operations of Rockwater Benefits Company Limited ("**Rockwater**"). Rockwater is based in Ontario and provides group retirement and group benefits advisory services.

On December 1, 2017, the Company acquired the assets and business operations of Assurances Dalbec Ltée ("**Dalbec**"). Dalbec, established in 1975 and based in Quebec, provides group benefits and insurance advisory services and third party administration and third party payment services.

As part of its strategic plan to support organic growth and to carry out synergistic acquisitions, the Company has focused on ensuring that it has sufficient cash resources in place, which has included maintaining its credit facility led by Canadian Imperial Bank of Commerce. Effective June 25, 2019, the Company amended and restated its existing credit agreement, resulting in a total syndicated revolving facility of $125,000 including a $5,000 swingline commitment to fund operating cash flow needs and an accordion feature permitting the revolving commitment to be expanded up to an additional $50,000, which would result in the size of the revolving commitment being increased to a maximum of $175,000. Subsequent to the end of financial year 2020, the Company, in conjunction with its acquisition of ASEQ, exercised the accordion option, increasing the revolving commitment to $175,000. The Company drew $63,750 on its increased credit facility to fund the acquisitions of Encompass, Watermark and ASEQ.

In addition, over the past three financial years, the Company completed four fully-subscribed bought deal private placement financings for gross proceeds of: $25,303 (November 22, 2017); $40,255 (August 21, 2018); $63,550 (October 16, 2019) and $25,025 (April 16, 2020).

Significant Acquisitions

During the Company's most recent financial year ended August 31, 2020, the Company did not complete any acquisition for which disclosure was required under Part 8 of National Instrument 51-102.

DESCRIPTION OF THE BUSINESS

General

The Company delivers employee group benefit consulting, third-party benefits administration services (including claims processing, disability management and administration services), group retirement services (including consulting and advisory services), health solutions (including disease management and mental health solutions) and human resource consulting services to help companies attract, retain and reward employees. The Company achieves this through (as at January 7, 2021) approximately 1,146 employees and 43 offices, located across Canada. The Company is registered to do business in all 10 provinces and 3 territories. The Company earns revenues from a diverse base of clients in various industries. The common shares of the Company ("**common shares**") trade on the TSX Venture Exchange ("**TSX-V**") under the symbol "PEO".

Although the human resource industry is highly competitive and fragmented, the Company anticipates significant growth in the industry over the next ten years. As the baby boomers age, companies in Canada will increasingly be faced with a shortage of qualified talent. Nearly every company in Canada purchases human resource products or services, be it employee benefits, life and health insurance products, recruitment services, payroll processing, consulting services, training and development, group retirement services, pension advisory services and other outsourcing functions and services. To take advantage of this opportunity within a vast marketplace, the Company focuses on group and employee benefit advisory and administrative services, group retirement consulting, and human resource consulting and recruitment services. The Company is moving towards a greater emphasis on delivering solutions to clients that meet their group benefit, group retirement, human resources and human resources information system needs on an integrated basis, in an effort to help employers reduce costs while still being in a competitive position to attract and retain employees.

In the more immediate timeframe, the Company's business environment continues to be impacted by the COVID-19 pandemic. As has been well-publicized, measures to contain the COVID-19 pandemic are currently impacting national and global economies, which have led to a contraction in economic activity and higher unemployment levels. Canadian governments did ease containment measures in May 2020 resulting in a rebound of economic activity and lower unemployment levels, but a second wave of the pandemic, commencing in the fall of 2020, once again increased containment measures and a full economic recovery is expected to be slow and gradual. While the Company does expect to continue to see an impact on its overall business in the months following the 2020 financial year as a result of these government measures and the general slowdown of the economy, the Company has taken appropriate steps to ensure it is well positioned to continue providing excellent service to its clients, including providing clients with extra support for COVID-19 related business matters and building value for shareholders, during this period of uncertainty. So far, as a result of the actions taken by the Company to date, it has been able to successfully navigate the current environment, however, the current circumstances are rapidly evolving and the impacts on the Company's business reasonably cannot be estimated at this time.

To facilitate its service delivery, the Company has broken down its service offering into the following three practice areas, Consulting Solutions, Benefit Solutions and Human Resource Solutions, which are described in detail below under the heading, "Practice Areas". The Company's practice areas are led by senior professionals with in-depth knowledge and experience in a variety of sectors. They help the Company's clients prosper by designing employee services that enable the clients' employees to grow and succeed at every stage of their careers.

Practice Areas

The following chart sets out the specific practices that fall under the Company's three practice areas. Shared services that support the practice areas are also shown. The specific practices are organized in this manner to facilitate the integration of those practices within the Company that provide similar client services.

Consulting Solutions

Within the Consulting Solutions division, the Company focuses on providing a unique employee benefit, group retirement and human resource solution that is customized to individual client needs. The consulting advice primarily includes plan review and plan design, plan marketing, plan recommendations, alternative funding methods, plan set up, employee communications, and wellness programs.

The Company's consultants are divided into teams that focus independently of each other on corporate benefits, public sector benefits, association benefits, student benefits, first nations' benefits and alternative funding methods including self-insurance. While each team goes to market independently, the Company has an advisor group that brings the skills of the different teams together and therefore, the Company is able to proactively approach client assignments in a manner that brings the expertise from various consultants together where necessary.

Integrated Solutions provides group benefit advisory services with a focus on unique strategic and tax effective compensation solutions designed to realign the competing needs of the employer's business and its employees. Its specific expertise is primarily provided to a network of third party insurance brokers associated with the Company who do not traditionally service group benefit needs.

Group Retirement Solutions focuses on enhancing the existing group retirement products offering and client service model. Its mandate is to provide support services to the Company's benefit consultants to help them expand their service offering to clients to include group retirement products and solutions. It is also the intention of the Company to build on this service offering through future acquisitions.

Added to the Consulting Solutions division by way of acquisitions completed in the most recently completed financial year are Apri, RVARC and IBC.

Benefit Solutions

The Company's Benefit Solutions division has several third-party administration ("**TPA**") and third-party payor ("**TPP**") service and administrative platforms allowing it to provide group benefit, group retirement and consulting advice that is highly customized towards the client's needs. TPA and TPP administer group benefit and group retirement plans on behalf of clients and insurance carrier partners. These administration platforms allow the Company to develop specialized, unique and customized benefit solutions for its clients through a plug-and-play approach of using multiple insurance carrier partners on a single benefits plan design. TPA services include employee data management, billing services, consolidated billing services where a client has multiple insurance carriers associated with its plan, health spending accounts, customized reporting, customized plan design services, underwriting services, communication services and technology solutions. In addition, through its various partners, the TPA platforms also provide claims adjudication services and claims management.

The Company serves as an independent data administrator on behalf of the Company's clients, who are generally an employer and/or plan sponsor – this allows the benefit consultant to work with the client to select from various insurance carriers and funding options that are best suited to the benefit categories within the employee benefits program. The client benefits from the availability of multiple carriers and funding alternatives on one consolidated billing and reporting platform.

With the acquisition of Collage, the Company offers two primary solutions to small and medium-sized businesses ("**SMBs**") that form a technology backbone that connects group benefits plan members (employees), group benefits plan sponsors (employers), group benefits consultants and insurance carriers in one integrated end-to-end solution:

1. Benefits HQ - digital enrollment, online marketplace, benefits administration and group benefits advisor practice management platform; and

2. Collage HR - market-proven HR platform for SMBs that syncs with multiple insurance carriers and payroll providers to simplify HR administration for SMBs. In addition, Collage continues to deliver Collage Payroll Services, which offers full-service managed payroll and administration services for SMBs.

Human Resource Solutions

The Company's Human Resource Solutions division works with clients to diagnose, design and deliver customized human resource solutions. The human resources consulting team delivers a broad range of services, including: human resource consulting, compensation services, assessment services, recruiting, career transition services and talent management.

The Company contributes substantially to the success of its clients by working with them to recruit top talent, discover the full potential of each of their employees, maximize the collective strength of a highly engaged workforce and assist in the exiting process when it's time to part ways. The Company works directly with clients to support their Human Resources needs, helping them get the most out of their people in order to achieve their organizational goals.

With the acquisition of Apri, the Company now offers the JungoHR platform, a human resources information system focused on mid-sized and enterprise-level businesses, expanding the Company's current offering of HR solutions.

The Company works with its subsidiaries and divisions by providing shared services that consist of subject matter experts and proprietary products. These shared services have been created to ensure that the Company's subsidiaries and divisions have access to an internal product and service offerings not normally available to mid-size employee benefit firms, thereby ensuring clients are receiving the best possible consulting advice. This results in the Company's subsidiaries and divisions having a unique value proposition and thereby providing them with a competitive edge.

Health Solutions focuses on providing the Company's corporate clients with a suite of products, including People Connect, and service offerings that help manage their increasing costs of absenteeism, presenteeism, and loss of productivity. People Connect is an end-to-end proprietary virtual therapy solution designed to address the mental health needs of our clients and their employees.

Business Development comprises inside sales professionals who provide qualified leads for the Company's benefit consultants. The Business Development teams source employer companies based on set criteria to introduce its proprietary value proposition in order to qualify, create and develop sales opportunities. This business unit heightens People Corporation awareness to potential prospects and generates leads for the Company's benefit consultants to ultimately increase revenue.

Talent Acquisition focuses on internally sourcing, attracting, and hiring top talent into the People Corporation organization. Its mandate is to fill vacant positions in the Company in a timely and cost effective manner.

Marketing & Communications focuses on brand awareness and transition across the organization to facilitate the acquisition of new clients, businesses and recruitment prospects. It also manages the Company's online presence, the production of field and marketing materials to support benefit consultants, as well as internal and external communications.

Competitive Conditions

Small and medium enterprise group insurance and pension consulting is serviced by a large number of small regional and local participants. The balance of the industry, which is focused on large employers and government accounts, is serviced by a small number of multinational consulting firms. The scope of services offered includes pension and benefits consulting, pension and benefits administration, communication consulting, actuarial services and wellness consulting.

The industry has been under significant competitive pressure over the past several years due to the significant cost increases in group insurance premiums resulting from increasing healthcare costs, aging demographics and related consumer utilization. With an aging population that is both living and working longer and taking advantage of more medical services and improvements in drugs, cost and utilization are naturally increasing. This, combined with the continued cost shifting from the public to the private sector through reduced coverage under provincial healthcare programs and other public plans, and the long-term outlook for group insurance costs, suggests that such premiums will continue to rise. In addition, the group insurance and pension consulting industry has undergone a substantial corporate restructuring in recent years, including a significant consolidation of insurers which has in turn resulted in less competition and potentially increased premiums charged to clients. Employers who provide group insurance coverage are therefore demanding greater services from their insurance advisors, including enhanced resources, outsourcing solutions and more creative ways to reduce costs. The multinational consulting firms primarily offer fee based consulting and administrative services, with the balance of the marketplace operating primarily on commission based compensation, with limited fee based services available depending upon the client and the services required.

In addition to the competitive pressures, new entrants to the market have exposed employers to new technology which will facilitate flexible group benefit plan design for a multi-generational workforce, proactive management of healthcare costs and an enhanced user experience with the use of robust platforms and health and wellness applications.

Human resource consulting and staffing services are dominated by many small players and a few larger multi-national firms. The aging workforce and limited inflow of skilled labour has long been recognized as creating a shortage of skilled labour and talent, therefore, increasing the need for companies to use recruitment firms and human resource consulting firms to help them to recruit, retain and reward employees. This is particularly evident in many small to medium sized enterprises, which lack the expertise and internal resources to effectively recruit and retain talent and therefore have a need to outsource this function. Human resource consulting and recruitment firms primarily offer fee based services.

Intangible Property

The Company owns a number of registered and unregistered trade-marks and operates under a number of different brand names. These trademarks and brands are important as they help to differentiate the Company's products and services from those of its competitors. Some of the Company's more significant brands include, People Corporation, HealthSource Plus, SourceSanté Plus, Gallivan: Student Health & Wellness, Coughlin & Associates, BPA, Hamilton + Partners, Bencom, People First HR Services, Sirius Benefit Plans, Assurances Dalbec, PME Plus, PME+, Admin Plus (MC), ADMIN+ (MC), Service Collectif Total, Lane Quinn, Silverberg Group, BPI, Life Inc., ACL Student Benefits, Morcare Insurance, We Speak Student, People Connect, Collage, CollageHR, BenefitsHQ, Apri Insurance Servces, GroupQuest Benefits Resources, JungoHR Services, Robin Veilleux Assurances et Rentes Collectives, and Integrated Benefit Consultants.

Subsequent to August 31, 2020, the Company acquired brands related to Encompass, Watermark and ASEQ.

The Company is dependent upon the relationships and contracts it has with its clients. Through its acquisitions, the Company has acquired customer lists and customer contracts through which the Company derives its revenue. Customer lists and contracts represent intangible assets that have separate and distinct value apart from other purchased intangible assets and goodwill.

The Company relies on several software platforms to administer its current products and solutions and to service its customers. These software platforms include both proprietary software solutions that are owned by the Company and third party software solutions that the Company licenses from external vendors. These software solutions include a combination of client portals, pension and group benefit administration, group benefit billing, pension management and claims adjudication platforms. The Company continues to invest in and develop its suite of proprietary software programs and tools.

Seasonality

As the Company continues to grow through acquisitions, the revenue trends from quarter to quarter may change depending on the relative significance of an acquisition in the financial year and the seasonal variances of the client renewals of the acquisition. As the Company continues to grow organically and through acquisitions the revenue trends from quarter to quarter within a financial year may vary, however the annual revenue trends will increasingly be more representative of the Company's annual revenue run rate as the Company achieves increasing scale.

Revenue Dependency

The Company has various producer and commission agreements with insurance carriers through which it earns its commission revenues. The loss of any of these relationships could have a material adverse impact on the profitability of the Company and a material impact on the ability of the Company to service its clients. So far as the Company is aware, no material supply contract is at risk of being terminated or renegotiated. See “Risk Factors – Insurance Company Relationships”.

Employees

At the end of financial year 2020, the Company employed approximately 1,070 individuals. The Company is dependent upon these employees to earn its revenues and to service clients. The loss of key employees, especially those who are directly responsible for revenue generation and those responsible for providing services to clients, could have a material adverse effect on the Company. See "Risk Factors - Key Personnel".

RISK FACTORS

The Company operates in a well-established and highly competitive industry and its results of operations, business prospects and financial condition are subject to a number of risks and uncertainties and are affected by a number of factors outside the control of management of the Company. These factors include, but are not limited to, the following:

Risk Factors Relating to the Arrangement

For information on the risk factors relating to the Arrangement, please refer to “Risk Factors – Risk Factors Relating to the Arrangement” in the Company’s Notice of Special Meeting and Management Information Circular dated January 14, 2021 (the “**January 2021 Circular”**). The January 2021 Circular has been filed by the Company with the Canadian securities regulators and is available on SEDAR at www.sedar.com.

Key Personnel

The Company is highly dependent upon the expertise and experience of its personnel, particularly those engaged in generating revenue, including, but not limited to, those involved in benefits plan design and administration, benefits legislative and regulatory issues, group retirement plan design and specialized human resource consulting, recruitment and career management. The Company’s operations depend, in part, on the relationships and reputations these individuals have established with clients, often over many years. In the event the Company were to lose a number of key personnel, client relationships could be negatively impacted, which could lead to material adverse effects on the Company's operating and financial results.

Recruitment of high performing consultants in our industry is becoming more competitive, especially as the labour pool is shrinking with aging advisors leaving the market at a rate that is outpacing the entry of new talent. Other firms may offer more attractive compensation packages, work arrangements or geographic preferences than the Company offers.

The Company currently has many experienced employees who hold senior positions in the Company, who have various professional designations and who have developed deep and trusted relationships with clients. While the Company provides a competitive compensation structure for its employees, including an employee share purchase plan and a security based compensation plan and has comprehensive employment agreements in place with its employees to protect the Company, the loss of a number of key personnel may have a material adverse effect on the business of the Company. The ability to attract, retain and develop new employees into senior positions could affect the business of the Company.

Client Relationships

Group insurance contracts are generally renegotiated on an annual basis with clients, often resulting in insurance premium pricing increases or decreases. Accordingly, there can be no guarantee that insurance contracts sold through the Company in the past will be renewed on a go forward basis or at the same pricing level. While the Company has several benefit and insurance clients with contracts that extend for one to seven years, the majority of the Company's benefit and pension revenue is derived from contracts that can be cancelled upon thirty days' notice. The Company's experience is that most clients terminate during the renewal process rather than during the policy year. While the Company's clients are diversified both in size and industry, if a number of the Company's largest clients were to terminate their contracts with the Company at the same time, this could result in a significant reduction in revenue, which could have a material adverse effect on the Company's revenues, financial condition and operating results.

Insurance Company Relationships

In certain cases, the Company acts as the advisor to end-user employers and associations to broker group insurance products with insurance companies. There can be no assurance that the Company will be able to maintain its existing relationships with these insurance companies and the failure to do so could have a material adverse effect on the Company's business, financial condition and operating results. In addition, during the renewal process, the Company's benefits consulting teams will provide benefits planning and consulting services based on the availability of insurance products and pricing of such products. Changes in available products could result in decreased benefits coverage and/or decreased premiums which generally would result in decreased revenue for the Company.

Regulation, Policies and Certification

The Company's group benefits and group retirement consulting and administration services are subject to laws and regulations that are constantly evolving. Changes in such laws or regulations could make some of the Company's products or services less attractive to clients. In addition, the laws and regulations differ from province to province and the Company is required to keep up-to-date with the laws and regulations of each province.

The rules and regulations governing income and commodity taxes are complex and wide-ranging, and the calculation of income taxes and applicability of commodity taxes requires judgment in interpreting tax rules and regulations. The Company's tax filings are subject to government audits that could result in material changes to the amount of current and future income taxes and related costs.

Any changes to laws, rules, regulations or policies could have a material adverse effect on the Company's business, financial condition and operating results.

Technology and Information Security

The Company is reliant on computerized operational and reporting systems. The Company makes reasonable efforts to ensure that back-up systems and redundancies are in place and functioning appropriately and maintains a disaster recovery plan to protect against significant system failures. While a computer system failure would not be expected to critically damage the Company in the long term, there can be no assurance that a computer system crash or like event would not have a material impact on its financial results in the short term.

Information security risks have increased in recent years due, in part, to the proliferation, sophistication and constant evolution of new technologies used by hackers and external parties. The Company's technologies, systems and networks and third parties providing services to the Company, may be subject to attacks, breaches or other compromises. In the event of such an occurrence, the Company may experience, among other things, financial loss, a loss of customer or business opportunities, disruption to operations, misappropriation or unauthorized release of confidential, financial or personal information, litigation, regulatory penalties or intervention, remediation, investigation or restoration cost, and reputational damage.

Access to Capital

The Company relies principally on bank debt, vendor-take-back debt financing and issuance of common shares to fund its acquisitions. The Company may require additional funds to make future acquisitions of group benefit, group retirement and human resource consulting businesses and may require additional funds to market and sell its products into the marketplace. The ability of the Company to arrange such financing in the future, and to repay its existing debt, will depend in part upon the prevailing capital market conditions, as well as on the business performance of the Company. While the Company has been successful in the past, there is no assurance that capital will be available under terms that are satisfactory to the Company.

Pursuant to its articles of incorporation, the Company is authorized to issue an unlimited number of common shares for consideration and on such terms as are established by the Board of Directors without the approval of any shareholders. Further issuance of common shares may dilute the interests of existing shareholders. If additional capital financing is not available on terms favourable to the Company, the Company may be unable to grow or may be required to limit or halt its strategic growth plans. In addition, if the Company experiences financial difficulty, the Company’s creditors who have security interests in the Company’s assets, may decide to exercise their rights to acquire or dispose of the Company’s assets.

Future Growth via Acquisitions

The Company’s growth and expansion plans contain a three-pronged approach of generating growth: 1. gaining new clients organically; 2. increasing product and service penetration with existing clients; and, 3. through transactions in which the Company acquires new operating entities or subsidiaries. There can be no assurance that an adequate number of suitable new client and acquisition candidates will be available to the Company to meet this area of focus of its expansion plans, or in the event that such businesses are available for acquisition, they will be available at a price which would allow the Company to operate on a profitable basis. The Company competes for acquisition and expansion opportunities with entities that have substantially greater resources than the Company and these entities may be able to outbid the Company for acquisition targets.

Integration of Future Acquisitions

There can be no assurance that businesses acquired by the Company in the future will achieve acceptable levels of revenue and profitability or otherwise perform as expected. The Company may be unable to successfully integrate businesses that it may acquire in the future, due to diversion of management attention, strains on the Company’s infrastructure, difficulties in integrating operations and personnel, entry into unfamiliar markets, or unanticipated legal liabilities or tax, accounting or other issues. A failure to integrate acquired businesses may be disruptive to the Company’s operations and negatively impact the Company’s revenue or increase the Company’s expenses. Risks related to the integration of acquisitions are mitigated through the Company’s due diligence procedures and legal structure of its acquisitions.

Potential Undisclosed Liabilities Associated with Acquisition/Limited Indemnification

In connection with acquisitions completed by the Company, there may be liabilities and contingencies related to the acquired entity that the Company failed to discover or was unable to quantify in its due diligence conducted prior to the execution of the acquisition, and the Company may not be indemnified for some or all of these liabilities and contingencies. The existence of any material liabilities or contingencies could have a material adverse effect on the Company's business, financial condition, liquidity and results of operations.

Interest Rate

Advances under the Company's credit facilities bear interest at variable rates. The Company may incur further indebtedness in the future that also bears interest at variable rates or it may be required to refinance its debt at higher rates. While the Company attempts to manage its interest rate risk, there can be no assurance that it will hedge such exposure effectively or at all in the future. Accordingly, increases in interest rates could adversely affect the Company's cash flows.

Insurance

The Company believes that its professional errors and omissions insurance, director and officer liability insurance, cyber liability insurance and commercial general liability insurance coverage, address all material insurable risks, provides coverage that is similar to that which would be maintained by a prudent operator of a similar business and is subject to deductibles, limits and exclusions which are customary or reasonable given the cost of procuring insurance and current operating conditions. However, there can be no assurance that such insurance will continue to be offered on economically feasible terms, that all events that could give rise to a loss or liability are insurable, or that the amounts of insurance will at all times be sufficient to cover each and every loss or claim that may occur involving the Company's assets or operations.

Canadian Economy and Competitive Conditions

The Company's future success is dependent upon the direction and state of the Canadian economy. The business, operating results and financial condition of the Company could be materially affected by a prolonged and deep recession or downturn in the Canadian economy. There is no assurance that the Company will have sufficient financial resources to withstand a prolonged and deep recession.

Since early March 2020 when the World Health Organization declared COVID-19 a pandemic, there has been increased risk as a result of the pandemic itself and the response by governments, businesses and individuals. While the impact of the pandemic on the Canadian economy remains uncertain, the Company continues to adjust and adapt to the daily changes and continues to provide services that have been deemed as essential. As this situation continues to evolve, the Company continues to monitor the impact on operations. While the impact of COVID-19 is expected to be temporary, the current circumstances are rapidly evolving and the resulting impacts on the Company's business cannot be reasonably estimated at this time.

The insurance brokerage market is highly competitive and is composed of a large number of companies of varying size and scope of services. Insurance companies themselves also offer their products through other methods, including insurance agents and direct distribution channels, which are competitive with the insurance brokerage industry and the Company.

Brand and Reputation

The Company is dependent, to a large extent, on its client relationships and its reputation with clients. Damage to the Company's brand or reputation could result in the loss of client relationships, which could result in a material adverse effect on the Company's business, financial condition and operating results. There can be no assurance that future incidents will not negatively affect the Company's brand or reputation.

Internal Control

As a venture issuer, the Company is not required to certify the design and evaluation of the Company's disclosure controls and procedures ("**DC&P**") and internal controls over financial reporting ("**ICFR**"), as defined by National Instrument 52-109, and as such has not completed such an evaluation. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement, on a cost effective basis, DC&P and ICFR may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

DIVIDENDS AND DISTRIBUTIONS

Dividends

There are no restrictions on the payment of dividends by the Company. The Company does not have a formal dividend policy and has never declared or paid cash dividends on the common shares. The Company currently intends to retain any future earnings to fund the development and growth of its business

DESCRIPTION OF CAPITAL STRUCTURE

General Overview

On June 25, 2019 the Company amended and restated its existing credit agreement with a syndicate of Canadian banks which includes the following authorized limits:

i) $125,000 revolving commitment which has been used to refinance the acquisition facility under the previous agreement and to fund future acquisitions; and

ii) $5,000 swingline commitment to fund operating cash flow needs is included in the total syndicated facility.

The credit agreement also provides for an option, from time to time, to request an increase in the amount of the revolving commitment by an amount of not less than $5,000 and not more than $50,000, subject to the satisfaction of certain terms and conditions. The full exercise of the option would result in the size of the revolving commitment increasing from $125,000 to $175,000.

Subsequent to the end of financial year 2020, the Company, in conjunction with its acquisition of ASEQ, exercised the accordion option increasing the revolving commitment to $175,000. The Company drew $63,750 on its increased credit facility to fund the acquisitions of Encompass, Watermark and ASEQ.

The loan matures on June 1, 2022, unless extended pursuant to the terms of the credit agreement.

The credit facility is secured by a general security agreement over all of the assets of the Company and its subsidiaries and is subject to covenants. As at August 31, 2020, the Company was in compliance with all of its financial and non-financial covenants.

The authorized capital of the Company consists of an unlimited number of common shares. The holders of the common shares are entitled to one vote in respect of each share held at all meetings of shareholders. Holders of common shares have the right to receive dividends, if any, as and when declared from time to time by the Board of Directors of the Company and to share rateably in any property remaining in the event of liquidation, dissolution or winding-up of the Company.

MARKET FOR SECURITIES

The common shares trade on the TSX-V under the symbol “PEO”. There are no other securities of the Company listed on the TSX-V and there are no securities of the Company listed on a foreign exchange. The following table sets out the price range and trading volumes of the common shares on the TSX-V during financial year ended August 31, 2020:

Month	Low	High	Close	Volume
September	**$9.04**	**$9.70**	**$9.04**	**732,200**
October	**$8.41**	**$9.23**	**$8.86**	**523,500**
November	**$8.70**	**$9.33**	**$9.01**	**400,000**
December	**$9.00**	**$10.20**	**$10.03**	**1,893,000**
January	**$9.65**	**$11.00**	**$10.49**	**770,100**
February	**$8.99**	**$10.75**	**$10.00**	**731,700**
March	**$6.00**	**$10.18**	**$8.20**	**3,759,100**
April	**$7.01**	**$10.00**	**$9.00**	**2,721,900**
May	**$8.77**	**$9.94**	**$9.23**	**1,005,200**
June	**$8.84**	**$9.80**	**$9.03**	**1,490,800**
July	**$8.81**	**$9.60**	**$9.31**	**695,500**
August	**$8.70**	**$9.63**	**$9.55**	**737,900**

DIRECTORS & OFFICERS

Name Occupation and Security Holdings

The names and municipalities of residence for the executive officers and directors of the Company as of the date hereof and their respective principal occupations within the five preceding years are as follows:

Executive Officer Name and Municipality of Residence	Principal Occupations During the Past 5 Years
Laurie Goldberg Chairman and Chief Executive Officer Winnipeg, Manitoba, Canada	• Chief Executive Officer, People Corporation
Scott Anderson (E) Director (February 2009) Toronto, Ontario, Canada	• Chief Executive Officer, The Catalyst Company, a management and consulting company
Richard Leipsic (A) (E) Director (July 2012) Winnipeg, Manitoba Canada	• Managing Director, Acumen Corporate Development Inc.
Eric Stefanson (A) (E) Director (October 2014) Winnipeg, Manitoba Canada	• Corporate Director

Beth Horowitz (A) (E) Director (September 2019) Toronto, Ontario Canada	• Corporate Director
Brevan Canning President East St. Paul, Manitoba Canada	• President, People Corporation (May 2020 – present) • Executive Vice-President and Group Head Benefits Solutions, People Corporation (October 2014 – present) • Vice President Finance, People Corporation (2005 – October 2014)
Dennis Stewner Chief Financial Officer & Chief Operating Officer East St. Paul, Manitoba Canada	• Chief Financial Officer & Chief Operating Officer, People Corporation (April 2016 – present) • Senior Vice-President, National Bank Financial (2011 – 2016)
Paul Asmundson Executive Vice President and Chief Corporate Development Officer La Salle, Manitoba Canada	• Executive Vice President and Chief Corporate Development Officer, People Corporation (March 2017 – present) • Senior Managing Director, Deloitte Canada (2015 – 2017) • Vice President, Corporate Development, People Corporation (2012 – 2015)
Celia Kaufman, Q.C. Chief Legal Officer and Corporate Secretary Winnipeg, Manitoba Canada	• Chief Legal Officer and Corporate Secretary, People Corporation (February 2020 – present and 2017 – September 2019)) • Vice President, Legal (September 2019 – February 2020) • Vice President, Legal Affairs and Corporate Secretary, People Corporation (2013 – 2017)

Legend:
(A) Audit & Risk Committee
(E) Human Resources & Corporate Governance Committee ("**HRCG Committee**")

As at January 7, 2021, the directors and executive officers of the Company as a group, beneficially owned, or controlled or directed, directly or indirectly, 8,517,223 common shares representing approximately 11.8% of the outstanding common shares before giving effect to the exercise of options to purchase common shares held by such directors and executive officers. The statement as to the number of common shares beneficially owned, or over which a director or executive officer exercises control or direction, directly or indirectly, not being within the knowledge of the Company, has been furnished by the directors and officers.

The directors of the Company are elected at each annual meeting and hold office until the next annual meeting or until their successors are appointed.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

As at the date hereof, to the best knowledge of the Company, no director or executive officer of the Company is presently, or has been during the ten (10) years prior to this date, a director, chief executive officer or chief financial officer of any company (including the Company) that (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days (an "Order") while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company, or (ii) that was subject to an Order issued after that person ceased to be a director, chief executive officer or chief financial officer of the relevant company that resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company.

As at the date hereof, to the best knowledge of the Company no director, executive officer of the Company or shareholder holding sufficient number of securities to materially affect control of the Company is presently, or has been during the ten (10) years prior to the date hereof (i) a director or executive officer of any company (including the Company) that became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, a receiver manager or a trustee appointed to holds its assets, while such person acted as a director or executive officer of such company or within one year following the date on which such person ceased to act as a director or executive officer of such Company, or (ii) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

To the best of the Company's knowledge, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

There are no existing or potential material conflicts of interest between the Company or a subsidiary of the Company and any officer of the Company or any Officer of a subsidiary of the Company.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

In the normal course of carrying on its business, the Company becomes the subject of claims and is involved in various legal proceedings. The Company is not currently involved in any material legal proceedings, and the Company is not aware of any pending or threatened proceedings or claims for damages against the Company where the amount would exceed 10% (exclusive of interest and costs) of the current assets of the Company. The Company believes that it has adequate reserves in respect of legal proceedings to which it is a party.

Regulatory Actions

In the ordinary course of carrying on its business, the Company may become the subject of a regulatory action. The Company currently is not subject to any Material Regulatory Action.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, except as described below, no director or executive officer of the Company, no person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of the outstanding common shares, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the Company.

Certain directors and officers of the Company have certain interests or benefits in connection with the Arrangement as described under "The Arrangement – Interest of Certain Persons in the Arrangement" of the January 2021 Circular.

TRANSFER AGENTS AND REGISTRARS

The registrar and transfer agent of the Company is TSX Trust Company at its principal office in the city of Calgary.

MATERIAL CONTRACTS

Please refer to the Arrangement Agreement which has been filed by the Company with the Canadian securities regulators and is available on SEDAR at www.sedar.com.

INTEREST OF EXPERTS

As at the date hereof, to the knowledge of the Company, the partners of MNP LLP, the auditor of the Company, and all of its other employees who are involved in the Company's audit file, do not own any of the issued shares of the Company.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on SEDAR at www.sedar.com or by writing to Jonathan Ross, Investor Relations, LodeRock Advisors Inc., 202-1 Toronto Street, Toronto, ON M5C 2V6.

Financial information is provided in the Financial Statements and MD&A for the Company's most recently completed financial year, which are filed on SEDAR at www.sedar.com.

Additional information relating to the Arrangement is provided in the January 2021 Circular, which is filed on SEDAR at www.sedar.com.

ADDITIONAL DISCLOSURE

Statement of Executive Compensation

Compensation Discussion and Analysis

The objective of this Compensation Discussion and Analysis is to provide information regarding the significant elements that make up the compensation paid, made payable to, awarded to, granted to or otherwise provided to each of the Company's Named Executive Officers ("**NEOs**") for the most recently completed financial year. For the purpose of this disclosure, the NEOs are comprised of each Chief Executive Officer and each Chief Financial Officer during the most recently completed financial year and the other three most highly compensated executive officers of the Company as at August 31, 2020, whose individual compensation for the most recently completed financial year exceeded $150,000 and any individual who would have satisfied these criteria but for the fact that the individual was not serving as such an officer at the end of the most recently completed financial year.

The Company's NEOs for the year ended August 31, 2020, are: Laurie Goldberg, Chief Executive Officer; Dennis Stewner, Chief Financial Officer and Chief Operating Officer; Brevan Canning, President, Paul Asmundson, Executive Vice-President and Chief Corporate Development Officer and Celia Kaufman, Q.C., Chief Legal Officer and Corporate Secretary.

Goals and Objectives of the Compensation Program

The Company's compensation program and strategy for its executive officers consists primarily of three main elements: base salary, an annual cash bonus (short-term incentive) and security-based compensation (long-term incentive).

Base salary is intended to provide a base compensation that reflects the executive's responsibilities and experience. Base salary provides regular compensation for assuming the responsibilities of the position and is paid in cash. Annual cash bonuses and security-based compensation are intended to provide a greater incentive for executives to work toward the achievement of the Company's short and long term goals and strategic objectives and to reward the executives for such achievements. Commencing with its 2015 financial year, the Company implemented its Security Based Compensation Plan, described in detail, below (the "**SBCP**") as part of its compensation programs for directors, officers and senior management. The SBCP was established with the assistance of an independent external compensation advisor to provide for a compensation model for the Company's directors and management that enhances the Company's compensation and risk-mitigating practices by more closely aligning pay with performance outcomes.

Cash bonuses are awarded annually based on a combination of the achievement of specified financial performance targets of the Company and a discretionary assessment regarding the achievement by the NEOs of individual goals and objectives. Cash bonuses are designed to motivate and reward executives for the achievement of the Company's short-term goals and objectives, while the security-based compensation is designed to motivate and reward executives for the achievement of the Company's long-term objectives and to retain key employees.

The compensation for the NEOs generally, is comprised of base salary and incentive compensation, as set out in each of these NEO's employment agreements, which are summarized below. The annual incentive compensation program for the NEOs is based on subjective qualitative and objective quantitative criteria for both individual performance and the overall performance of the Company and generally, is comprised of both an annual cash bonus payment and security-based compensation. For financial year 2020, the security-based portion of this annual incentive compensation program was set at a maximum of 50% of each participating NEO's base salary and comprised grants of Restricted Stock Units. This security-based portion of incentive compensation for the participating NEOs was based on pre-determined Company performance criteria, which in fiscal 2020 the Company fully achieved. The Company is relying on the exemption in NI 51-102F6 whereby the Company is not required to disclose the performance goals in respect of the quantitative performance-related factors due to the potential serious detrimental effect on the Company's acquisition strategy and competitiveness and the serious prejudice to the Company's interests that such disclosure would cause.

The HRCG Committee, together with the Lead Director, reviews, annually, the performance of the CEO and recommends compensation for the CEO that is fair, equitable and in line with that of similar positions within the industry. The HRCG Committee, together with the Lead Director, is responsible for recommending base salary, bonus program and security-based compensation payable to the CEO, as well as the appropriate compensation mix.

The HRCG Committee has delegated the responsibility for determining the compensation levels for each of the other NEOs to the CEO, subject to its annual review and recommendations in respect of the Company's executive compensation program as provided for under its mandate. The CEO, therefore, has responsibility for setting base salary, commission levels, bonuses, and other incentive compensation for the other NEOs and has responsibility for setting the appropriate compensation mix, subject to the HRCG Committee's review. The CEO is required to obtain Board approval before awarding security-based incentive compensation to the NEOs.

Compensation Risk

The HRCG Committee has considered the implications of compensation risk and generally, has adopted a strategy of recommending NEO compensation made up of a combination of base salary, annual cash bonus and long-term incentives such as security-based compensation, to ensure that the NEOs do not engage in high risk behavior, which could add undue risk to the Company. This combination of incentives promotes strong performance during the year while reducing the risk of an over-emphasis on short-term gain by executives at the expense of long-term performance of the Company.

The Company does not prohibit NEOs or directors from purchasing financial instruments such as forward contracts, equity swaps or other financial instruments designed to hedge or offset a decrease in market value of securities granted as compensation or held, directly or indirectly, by a NEO or director. However, neither the Board nor management is aware that any such individual has, in the past, bought or currently holds such instruments.

Description of Long-Term Incentive Plans

At its annual and special meeting of shareholders held on February 19, 2015, the shareholders of the Company approved the adoption of a security based compensation plan (subsequently amended and restated by approval of the shareholders of the Company at its annual and special meeting held on February 26, 2019) (the "**SBCP**") to replace the Company's then existing Stock Option Plan (the "Old Plan"). The Company's Employee Share Purchase Plan (the "ESPP") was unaffected by the implementation of the SBCP.

As a result of the implementation of the SBCP, from and after the annual shareholder meeting held in February 2015, further options were not permitted to be granted under the Old Plan. As of the 2020 financial year, there ceased to be any options outstanding under the Old Plan.

People Corporation Security Based Compensation Plan ("SBCP")

The following is a summary of the material terms of the SBCP.

Purpose. The SBCP was instituted to promote the Company's interests and long-term success by providing directors, officers, employees and consultants of the Company and its affiliates with incentives to further develop and promote the Company's business and financial success, both in the short term and the long term, to align the interests of persons to whom awards under the SBCP ("**Awards**") may be granted ("**Participants**") with those of the shareholders, through equity ownership in the Company, and to assist the Company in attracting, retaining and motivating directors, officers, employees and consultants of the Company and its affiliates. The SBCP allows for the issuance of stock options ("**Options**"), restricted stock units ("**RSUs**"), deferred stock units ("**DSUs**") and tandem stock appreciation rights ("**Tandem SARs**"). This provides the Company with a variety of performance incentives to permit it to better tailor the Award to the particular circumstances of the recipient.

Administration. The Company's HRCG Committee has been appointed by the Board to administer the SBCP.

Eligible Persons. Awards under the SBCP may be granted to any director, officer, employee or consultant of the Company or of its affiliates (an "**Eligible Person**").

Number of Securities Issued or Issuable. Subject to the adjustment provisions provided for in the SBCP and the rules and regulations of regulatory authorities (including the TSX-V), the aggregate number of common shares currently reserved for issuance under the SBCP cannot exceed 7,236,222, which number includes the common shares reserved for issuance under the Old Plan and the ESPP.

For purposes of the above, if an Award entitles the holder to receive or purchase common shares, the number of common shares covered by the Award will be counted on the date of its grant against the aggregate number of common shares available for granting under the SBCP. Every common share subject to an option will be counted against the limit as one common share. Similarly, options to acquire common shares that have expired or been forfeited, surrendered, canceled or otherwise terminated and Awards comprised of common shares that are settled in cash in lieu of the issuance of shares, become available again for granting under the SBCP.

Material Terms of Awards

Stock Options – Options may be granted to Eligible Persons at an exercise price that equals the volume-weighted average of the prices at which the common shares traded on the TSX-V, for the five (5) Trading Sessions immediately preceding the grant date of the Options. Unless otherwise determined by the HRCG Committee, options vest as to 1/3 of the number granted on each of the first 3 anniversaries of the grant date and expire on the eighth anniversary of the grant date; provided that for so long as the common shares are listed on the TSX-V, options issued to consultants performing investor relations activities must vest in stages over a period of not less 12 months with no more than one-quarter (¼) of the options vesting in any three-month period. Generally, options cease to vest when the holder is no longer an Eligible Person.

Restricted Stock Units — RSUs entitle the holder to receive common shares (or the cash equivalent) at a future date. RSUs are granted with vesting conditions (typically based on continued service or achievement of personal or corporate objectives) and settle upon vesting by delivery of common shares (or the cash equivalent). Generally, RSUs cease to vest when the holder is no longer an Eligible Person. The value of the RSU increases or decreases as the price of the common shares increases or decreases, thereby promoting alignment of the interests of the RSU holders with shareholders. Settlement may be made, in the sole discretion of the HRCG Committee, in common shares, cash or a combination thereof. Unless otherwise determined by the HRCG Committee, RSUs vest 3 years after their grant date, provided that the final vesting date cannot be later than December 31st of the third calendar year following the year of service to which the RSU grant relates.

At the present time, the HRCG Committee has determined that the issuance of RSUs by the Company in respect of each financial year will be performance based and it has decided to conditionally grant RSUs to designated management employees for the financial year, which may be earned in respect of the financial year based on the achievement of specified performance criteria for such financial year. Performance thresholds have been established which must be reached in order for the related portion of the conditionally granted RSUs to be issued with the achievement of a base performance threshold required for any of the RSUs to be issued and with the maximum number of RSUs to be issued upon achievement of the targeted performance level.

Deferred Stock Units — DSUs entitle the holder to a future right to receive common shares (or the cash equivalent) at the time of the holder's retirement, death, or the holder otherwise ceasing to provide services to the Company, allowing the Company to pay compensation to holders of DSUs on a deferred basis. At the present time, the Company has decided to grant DSUs to its independent directors and to certain members of management, in order to align their interests with those of shareholders. Each DSU awarded by the Company is initially equal to the Fair Market Value (as defined in the SBCP) of a common share at the time the DSU is awarded. The value of the DSU increases or decreases as the price of the common shares increases or decreases, thereby promoting alignment of the interests of the DSU holders with shareholders. Settlement may be made, in the sole discretion of the HRCG Committee, in common shares, cash or a combination thereof; provided DSUs granted to directors who are not U.S. Persons (as defined in the SBCP) are to be settled by the issuance of common shares from treasury, unless at the time of exercise of the vested DSUs the director elects, subject to the consent of the Company, to have the Company pay an amount in cash equal to the aggregate current Fair Market Value of the common shares, in consideration for the surrender by the director to the Company of the right to receive common shares from the exercise of the DSUs. Vesting of DSUs is determined by the HRCG Committee in its sole discretion but generally, DSUs will cease to vest upon the holder no longer being an Eligible Person. DSUs may only be settled in the event of the Terminated Service (as defined in the SBCP) of the DSU holder.

Tandem SARs – The Company will only be eligible to grant Tandem SARs at such time as its common shares are not listed on the TSX-V. Tandem SARs provide option holders with a right to surrender vested options for termination in return for common shares (or the cash equivalent) equal to the net proceeds that the option holder would otherwise have received had the options been exercised and the underlying common shares immediately sold. During the 2020 financial year the Company was not eligible to grant Tandem SARs.

Maximum Grants. If and for so long as the common shares are listed on the TSX-V:

a. no more than 5% of the issued and outstanding common shares may be granted to any one individual Participant in any 12-month period (unless the Company has obtained disinterested shareholder approval). In addition, the number of common shares: (i) issuable, at any time, to Participants who are Insiders (as defined in the SBCP); and (ii) issued to Participants who are Insiders within any one-year period under the SBCP; or the number of common shares when combined with all of Company's other security based compensation arrangements (i.e. the Old Plan and the ESPP), must not, in aggregate, exceed 10% of the outstanding common shares on a non-diluted basis;

b. no more than 2% of the outstanding common shares may be granted to any one consultant in any 12-month period; and

c. no more than 2% of the outstanding common shares may be granted to all Participants retained to conduct investor relations activities in any 12-month period.

Adjustment of Exercise/Settlement During Blackout Periods. Further to the Company's insider trading policy, officers, directors and employees may be prohibited from trading in the Company's securities for an interval of time (the "**Blackout Period**"). As Blackout Periods are of varying length and may occur at unpredictable times, Awards may expire or settle during a Blackout Period. As a result, (i) where the expiry date of an option or Tandem SAR occurs during or within ten non-blackout trading days following the end of a Blackout Period, the expiry date for such option or Tandem SAR is the date that is ten non-blackout trading days following the end of such Blackout Period; and (ii) where the date for the settlement of RSUs or the payment of a settlement amount in the case of a DSU occurs during a Blackout Period, the Company shall make such settlement or pay such settlement amount to the holder of such an Award within ten non-blackout trading days following the end of such Blackout Period and in any event no later than December 31st of the third calendar year following the year of service to which the RSU Award relates.

Transferability. Awards granted under the SBCP are not transferable or assignable and may be exercised only by the Participant, subject to exceptions in the event of the death or incapacity of the Participant.

Other Material Information. Appropriate adjustments to the Awards granted under the SBCP will be made by the HRCG Committee to give effect to adjustments in the number and type of common shares (or other securities or other property) resulting from subdivisions, consolidations, substitutions, or reclassifications of common shares, payment of stock dividends or other changes in the Company's capital. In the event of any Change in Control (as defined in the SBCP), the HRCG Committee may: (i) in a fair and equitable manner, determine the manner in which all unexercised options or unsettled Awards granted under the SBCP will be treated including, requiring the acceleration of the time for the exercise or settlement of Awards by the Participants, the time for the fulfillment of any conditions or restrictions, including vesting, on such exercise or settlement, and the time for the expiry of such rights; or (ii) if the agreements effecting the Change in Control do not provide for the fair and equitable assumption or substitution of all Awards granted under the SBCP, then it may unilaterally commute for or into any other security, property or cash on a fair and equitable basis, any Award (other than a DSU) that is still capable of being exercised or settled, upon giving to the Participant to whom such Award has been granted at least 30 days' written notice of its intention to commute such Award, and during such period of notice, the Award, to the extent that it has not been exercised or settled, may be exercised or settled by the Participant; and on the expiry of such period of notice, the unexercised or unsettled portion of the Award can be lapsed and cancelled. Finally, the SBCP provides that if a Triggering Event (as defined in the SBCP) occurs within the twelve-month period immediately following the occurrence of certain events comprising a Change in Control of the Company, then (i) all outstanding options held by the affected Participant are to vest and may be exercised during the period of 90 days following the Triggering Event, and (ii) all outstanding Awards (other than options) held by the affected Participant are to vest and must be settled in accordance with the New Plan.

Employee Share Purchase Plan ("ESPP")

The Company has an Employee Share Purchase Plan which was approved by shareholders at the annual and special meeting of the Company held on February 23, 2011 (the "**ESPP**"). The purpose of the ESPP is to advance the interests of the Company by encouraging equity participation in the Company by its employees and encouraging them to use their combined best efforts on behalf of the Company to improve its profits through increased sales, reduction of costs and increased efficiency.

The ESPP allows employees of the Company and its subsidiaries (including any such person who is also an officer or a director of the Company or its subsidiaries) to participate in the ESPP once they have been continuously employed by the Company or a subsidiary for at least twelve consecutive months (such employees are referred to herein as "**Participants**"), subject to any waiver of this waiting period approved by the Board.

Each Participant is required to contribute, through payroll deductions, to the ESPP in each pay period, at the Participant's option and as designated by the Participant, an amount equal to or between a minimum of 2% of the Participant's base salary and a maximum of 5% of the Participant's base salary.

Shares will be purchased, in an amount equal to the Participant's contribution (less any requisite statutory withholding), from the Company at the market price (as such term is defined in the TSX Venture Corporate Finance Manual) or through a stock broker on the open market through the facilities of the TSX-V at prevailing market prices, and in each case otherwise in accordance with the rules of the TSX-V. For every four common shares that a Participant purchases under the ESPP, the Company will issue or purchase one common share, thereby effectively purchasing or issuing the number of common shares equal to 25% of the aggregate number of common shares purchased by the Participant with the Participant's contribution ("**Matching Shares**").

Under the ESPP, an aggregate of 250,000 common shares are reserved for issuance. As of the date hereof, no common shares have been issued from treasury under the ESPP and 250,000 common shares remain reserved for issuance under the ESPP. As of August 31, 2020, 3,326,969 common shares have been purchased on the open market with Participants' contributions and the Company has purchased 671,986 Matching Shares on the open market.

During the year ended August 31, 2020, NEOs received 2,588 Matching Shares under the ESPP.

No common shares will be issued under the ESPP at any time to any insider if such issuance, together with all of the Company's previously established or proposed share compensation arrangements, including the Old Plan and the New Plan, could result, at any time, in: (i) the number of common shares issued to insiders pursuant to the ESPP, together with all of such other share compensation arrangements, within any one year period exceeding 10% of the issued and outstanding common shares; or (ii) the number of common shares issuable to insiders at any time pursuant to the ESPP and all such other share compensation arrangements exceeding 10% of the issued and outstanding common shares.
The Board may terminate, amend, or modify the ESPP at any time subject to obtaining any necessary approval of any applicable regulatory authority including, without limitation, the TSX-V, and if required, the approval of the shareholders of the Company. However, the Board may amend the ESPP without shareholder approval in certain circumstances, including, as required to clarify any provision of the ESPP, to amend provisions respecting administration of the ESPP, to amend the Participant contribution provisions of the Plan, and to amend the number or percentage of common shares contributed by the Company. Since its approval by shareholders, the Company has made minor amendments to the ESPP, which did not require further approval by shareholders of the Company.

Summary Compensation Table

The following table presented in accordance with Form 51-102F6 of National Instrument 51-102 – *Statement of Executive Compensation* sets forth all annual and incentive compensation for the NEOs for services in all capacities to the Company for the three most recently completed financial years (to the extent required by Form 51-102F6).

Name and Principal Position	Year	Salary	Share Based Awards(1)	Option Based Awards(2)	STIP(3)	ESPP(4)	All Other Compensation(5)	Total Compensation
Laurie Goldberg CEO	2020	$500,000	$249,997	-	$625,000	$6,250	-	$1,380,622
	2019	$450,000	$224,998	-	$300,000	$5,625	-	$980,623
	2018	$450,000	$224,996	$2,866,000	$562,500	$5,000	-	$4,108,496
Dennis Stewner CFO & COO	2020	$275,000	$137,498	-	$206,250	$3,438	-	$622,186
	2019	$225,000	$112,499	-	$330,000	$2,813	-	$670,312
	2018	$225,000	$112,498	$1,146,400	$307,500	$2,813	-	$1,797,211
Brevan Canning President	2020	$300,000	$150,002	-	$225,000	$3,750	-	$678,752
	2019	$265,000	$120,002	-	$240,000	$3,312	-	$628,314
	2018	$240,000	$119,997	$1,146,400	$290,000	$3,000	-	$1,799,397

Paul Asmundson EVP	2020	$250,000	$125,003	-	$225,000	$3,125	-	$603,128
	2019	$225,000	$112,499	-	$337,500	$2,813	-	$677,812
	2018	$225,000	$112,498	$1,146,400	$412,500	$2,813	-	$1,899,211
Celia Kaufman CLO & Corp. Sec.	2020	$250,000	-	-	$50,000	$2,125	-	$302,125
	2019	$170,000	-	-	$55,000	$2,125	-	$227,125
	2018	$155,000	$12,752	-	$46,500	$1,938	-	$216,190

Notes:

(1) Amounts are based on the grant date fair value of the RSU awards under the SBCP, which were calculated by multiplying the number of Awards granted to the applicable NEO by the volume weighted average market price for the 5 days prior to September 1 of the grant year being $9.13 for the grants of RSUs in fiscal 2020 (2019 - $7.99, 2018 - $6.59).

(2) On August 28, 2018, the Company granted Options to the NEOs (excluding the Corporate Secretary) to acquire a total of 2.6 million common shares of the Company ("**Performance Options**"). The award of the Performance Options was a one-time discretionary award, granted by the Board of Directors pursuant to the SBCP to reward the Company's senior executives for individual and corporate performance, to align their interests with that of the Company and to provide for long-term incentive. In determining the discretionary award, the Board of Directors took into account a range of relevant factors including but not limited to: strong record of financial results, achievement of operational results, successful completion of multiple acquisitions, growth in market capitalization and share price and overall value creation to shareholders. These grants are reflected in the Executive Compensation Summary Table above and are set out in more detail in a separate table under the heading, "Outstanding Share-Based Awards and Option-Based Awards".

Except in certain circumstances, all of the Performance Options are subject to cliff vesting on the third anniversary of their issuance. 40% or 1.04 million of the Performance Options are Options awarded without a condition tied to the performance of the price of the Common Shares and were granted to recognize the performance of these NEO's in enabling the Company to provide significant returns to the shareholders over past years (over 30% year over year growth). The remaining 60% or 1.56 million Performance Options are performance conditioned Options, with a requirement for the Company's share price to reach a threshold of $12 in order for these Options to vest and with a further obligation on the holder to hold the after-tax value of the shares issued on exercise of these Options for a period of one year after the date of exercise, thereby aligning the performance of these NEOs with the interests of the shareholders – incentivizing the NEOs to continue to support the Company and to focus on the Company's continued growth and positive returns for the shareholders.

All of the Performance Options have an exercise price of $7.93 per share, have a term of 5 years and otherwise are subject to the terms of the SBCP.

Values above represent the dollar amount based on the fair value of Options on the grant date. The fair value of the Performance Options was calculated by an independent third party advisor using the Monte Carlo simulation approach, which was determined to be the most appropriate method based on the terms and conditions of these options. This valuation model ascribes a value to a stock option based on a number of factors, including the exercise price of the option, the price of the underlying security on the date the option was granted, and assumptions with respect to the volatility of the price of the underlying security, the expected life of the option, forfeitures, dividend yield and the risk-free rate of return. For the Performance Options, the weighted average assumptions used in the pricing model were as follows:

Monte Carlo Model Assumptions	August 31, 2018
Expected term for regular option vesting	4.00 years
Expected term for performance conditioned option vesting	4.06 years
Risk-free interest rate	2.21%
Starting share price	$8.10
Dividend yield	nil
Volatility factor of expected market price of the Company's shares	40.1%

(3) Discretionary annual cash award (cash/performance bonuses). For fiscal year 2018, as a result of strong Company performance, including as respects financial results, achievement of operational results, and growth in market capitalization and share price, each NEO was awarded an additional cash bonus amount on a discretionary basis. As respects the CEO, the Board of Directors approved an additional cash award in an amount equal to 25% of his base salary.

(4) Represents the dollar amount based on the fair value of the Matching Shares purchased by the Company under the ESPP based on the price paid to purchase the common shares on the open market.

(5) Perquisites provided to each NEO were worth, in aggregate, less than $50,000 and were not worth 10% or more in value of each NEO's total salary.

Outstanding Share Based Awards and Option Based Awards

The outstanding share based and option based awards as at August 31, 2020, for each of the NEOs are set out in the table below.

	Option Based Awards				Share Based Award		
Name and Principal Position	**Number of Securities Underlying Unexercised Options**	**Option Exercise Price**	**Option Expiry Date**	**Value of Unexercised In-the-Money Options[(1)]**	**Number of Shares or Units that have not Vested**	**Market Value of Share Based Awards that have not Vested[(2)]**	**Market Value of Vested Share Based Awards Not Paid Out or Distributed**
Laurie Goldberg CEO	1,000,000	$7.93	Aug 28, 2023	$1,560,000	85,869	$814,897	-
Dennis Stewner CFO & COO	400,000 320,000	$7.93 $2.87	Aug 28, 2023 Apr 14, 2024	$624,000 $2,118,400	43,644	$414,182	-
Brevan Canning President	400,000	$7.93	Aug 28, 2023	$624,000	49,908	$473,627	-
Paul Asmundson EVP	400,000 100,000	$7.93 $4.48	Aug 28, 2023 Mar 16, 2025	$624,000 $501,000	40,957	$388,682	-
Celia Kaufman CLO & Corp. Sec.	-	-	-	-	1,596	$15,146	-

Notes:

(1) Value is calculated as the difference between the closing market price of the Company's common shares on the TSX -V on August 31, 2020, which was $9.49, and the exercise price, multiplied by the number of unexercised options.

(3) Value is calculated as the closing market price of the Company's common shares on the TSX-V on August 31, 2020, which was $9.49, multiplied by the number of RSUs outstanding.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table lists, for each of the NEOs, the values of incentive plan awards that were earned or vested during the financial year ended August 31, 2020.

Name and Principal Position	Option Based Awards Value Vested During the Year [(1)]	Share Based Awards Value Vested During the Year [(2)]	Non-Equity Incentive Plan Compensation Value Earned During the Year
Laurie Goldberg CEO	-	$329,633	$625,000
Dennis Stewner CFO & COO	$529,600	$165,422	$206,250
Brevan Canning President	-	$176,553	$225,000
Paul Asmundson Executive VP	$100,200	$165,129	$225,000
Celia Kaufman CLO & Corp. Sec.	-	$13,285	$50,000

Notes:

(1) Amount represents the aggregate dollar value that would have been realized if the options had been exercised on the vesting date, based on the difference between the market price of the common shares underlying the options on the TSX-V on the vesting date and the exercise price of the options.

(2) Fair value of Matching Shares purchased by the Company under the ESPP calculated as the price paid to purchase the common shares on the open market. Fair value of RSUs vested during the year is calculated as the closing market price of the Company's common shares on the TSX-V on August 31, 2020, which was $9.49, multiplied by the number of RSUs vested.

Employment Contracts, Termination of Employment and Changes in Responsibility

All the NEOs have employment contracts that outline the terms and conditions pertaining to their employment with the Company. A summary of the material financial terms of each employment agreement as at August 31, 2020 and the other material terms as at November 27, 2020, is set out below.

The Company has entered into an amended and restated employment agreement with Laurie Goldberg, pursuant to which Mr. Goldberg has agreed to provide his services as Chairman of the Board and Chief Executive Officer. Mr. Goldberg's employment agreement provides for an annual base salary of $500,000 and a performance (cash) bonus of up to 125% of base salary. The employment agreement continues in force until terminated: (i) by Mr. Goldberg upon the provision of 12 months' notice; (ii) by the Company at any time for cause; (iii) by the Company at any time without cause by paying Mr. Goldberg the amount equal to two times the aggregate of his base salary and the amount equal to his target performance bonus for the applicable financial year, payable over the period of 24 months following the date of termination of his employment, by way of equal bi-monthly installments (assuming no working notice was provided); or (iv) by Mr. Goldberg for good reason within 12 months following a change of control of the Company, whereupon the Company is required to pay Mr. Goldberg the amount equal to two times the aggregate of his base salary and the amount equal to his target performance bonus for the applicable financial year, such amount to be paid promptly following the date of termination of employment (provided should such change of control be related to the Arrangement, the amount payable to Mr. Goldberg is equal to three times the aggregate of his base salary and the amount equal to his target performance bonus for the applicable financial year).

Mr. Goldberg's employment agreement contains non-competition, non-solicitation and non-acceptance provisions, pursuant to which Mr. Goldberg is prohibited during the term of the agreement and for a period of 12 months thereafter from, among other things, engaging in any business competitive with that of the Company, at any location within Canada and any other location in which the Company or its affiliates may carry on business from time to time. Assuming Mr. Goldberg's employment is terminated without cause (and without working notice), based on his financial year 2020 remuneration, he would be entitled to receive termination compensation totaling $2,250,000.

The Company has entered into an amended and restated employment agreement with Dennis Stewner, CPA, CA, pursuant to which Mr. Stewner has agreed to provide his services as Chief Financial Officer and Chief Operating Officer. Mr. Stewner's employment agreement provides for an annual base salary of $275,000, a performance (cash) bonus of up to 100% of base salary and the right to receive an award under the SBCP based on such performance criteria as may be established by the Company for the applicable financial year. The employment agreement continues in force until terminated: (i) by Mr. Stewner upon the provision of 4 months' notice; (ii) by the Company at any time for cause; (iii) by the Company at any time without cause by paying Mr. Stewner the amount equal to one and a half times the aggregate of his base salary and the amount equal to his target performance bonus for the applicable financial year, payable over the period of 18 months following the date of termination of his employment, by way of equal bi-monthly installments (assuming no working notice was provided); or (iv) by Mr. Stewner for good reason within 12 months following a change of control of the Company, whereupon the Company is required to pay Mr. Stewner the amount equal to one and half times the aggregate of his base salary and the amount equal to his target performance bonus for the applicable financial year, payable over the period of 18 months following the date of termination of employment, by way of equal bi-monthly installments.

Mr. Stewner's employment agreement contains non-competition, non-solicitation and non-acceptance provisions, pursuant to which Mr. Stewner is prohibited during the term of the agreement and for a period of 12 months thereafter from, among other things, engaging in any business competitive with that of the Company, at any location within Canada and any other location in which the Company or its affiliates may carry on business from time to time. Assuming Mr. Stewner's employment is terminated without cause (and without working notice), based on his financial year 2020 remuneration, he would be entitled to receive termination compensation totaling $825,000.

The Company has entered into an amended and restated employment agreement with Brevan Canning, pursuant to which Mr. Canning has agreed to provide his services as President. Mr. Canning was appointed President in February 2020. Prior to that appointment he held the position of Executive Vice President. Mr. Canning's employment agreement provides for an annual base salary of $300,000, a performance (cash) bonus of up to 100% of base salary and the right to receive an award under the SBCP based on such performance criteria as may be established by the Company for the applicable financial year. The employment agreement continues in force until terminated: (i) by Mr. Canning upon the provision of 4 months' notice; (ii) by the Company at any time for cause; (iii) by the Company at any time without cause by paying Mr. Canning the amount equal to two times the aggregate of his base salary and the amount equal to his target performance bonus for the applicable financial year, payable over the period of 24 months following the date of termination of his employment, by way of equal bi-monthly installments (assuming no working notice was provided); or (iv) by Mr. Canning for good reason within 12 months following a change of control of the Company, whereupon the Company is required to pay Mr. Canning the amount equal to two times the aggregate of his base salary and the amount equal to his target performance bonus for the applicable financial year, payable over the period of 24 months following the date of termination of employment, by way of equal bi-monthly installments.

Mr. Canning's employment agreement contains non-competition, non-solicitation and non-acceptance provisions, pursuant to which Mr. Canning is prohibited during the term of the agreement and for a period of 12 months thereafter from, among other things, engaging in any business competitive with that of the Company, at any location within Canada and any other location in which the Company or its affiliates may carry on business from time to time. Assuming Mr. Canning's employment is terminated without cause (and without working notice), based on his financial year 2020 remuneration, he would be entitled to receive termination compensation totaling $1,200,000.

The Company has entered into an amended and restated employment agreement with Paul Asmundson, pursuant to which Mr. Asmundson agreed to provide his services as Executive Vice President and Chief Corporate Development Officer. Mr. Asmundson's employment agreement provides for an annual base salary of $250,000, a performance (cash) bonus of up to 135% of base salary and the right to receive an award under the SBCP based on such performance criteria as may be established by the Company for the applicable financial year. The employment agreement continues in force until terminated: (i) by Mr. Asmundson upon the provision of 4 months' notice; (ii) by the Company at any time for cause; (iii) by the Company at any time without cause by paying Mr. Asmundson the amount equal to one and a half times the aggregate of his base salary and the amount equal to his target performance bonus for the applicable financial year, payable over the period of 18 months following the date of termination of his employment, by way of equal bi-monthly installments (assuming no working notice was provided); or (iv) by Mr. Asmundson for good reason within 12 months following a change of control of the Company, whereupon the Company is required to pay Mr. Asmundson the amount equal to one and half times the aggregate of his base salary and the amount equal to his target performance bonus for the applicable financial year, payable over the period of 18 months following the date of termination of employment, by way of equal bi-monthly installments.

Mr. Asmundson's employment agreement contains non-competition, non-solicitation and non-acceptance provisions, pursuant to which Mr. Asmundson is prohibited during the term of the agreement and for a period of 12 months thereafter from, among other things, engaging in any business competitive with that of the Company, at any location within Canada and any other location in which the Company or its affiliates may carry on business from time to time. Assuming Mr. Asmundson's employment is terminated without cause (and without working notice), based on his financial year 2020 remuneration, he would be entitled to receive termination compensation totaling $881,250.

The Company has entered into an employment agreement with Celia Kaufman, Q.C., pursuant to which Ms. Kaufman has agreed to provide her services as Chief Legal Officer and Corporate Secretary. Ms. Kaufman's employment agreement provides for an annual base salary of $250,000 and a performance (cash) bonus of up to $50,000. Ms. Kaufman's employment agreement continues in force until terminated either by Ms. Kaufman or the Company, on thirty (30) days' notice, at the end of which the Company has agreed to pay Ms. Kaufman ongoing base salary payments for a period of 6 months. The employment agreement contains non-solicitation and non-acceptance provisions pursuant to which Ms. Kaufman is prohibited during the term of the agreement and for a period of 18 months thereafter from soliciting or accepting clients of the Company for purposes similar to the business carried on by the Company.

Share Ownership Guidelines – Executives and Non-Independent Directors

In November of 2018, the Board established a Share Ownership Guidelines Policy (the "**Guidelines**"), outlining the minimum levels of share ownership required for the Directors of the Company and the CEO and other executives who comprise the Company's corporate management team. All of the NEOs (except the Corporate Secretary) are subject to the Guidelines. The Guidelines are designed to align the interests of these executives with the interests of shareholders, to demonstrate their financial commitment to the Company through personal share ownership and are part of the Company's commitment to promote sound corporate governance practices.

Executives holding the following positions or appointments are required to own Shares which have a Fair Value, (i.e. the greater of: (i) the Cost; and (ii) the Fair Market Value (as these terms are defined in the Guidelines) of the shares, DSUs or RSUs held) of at least:

CEO	3 times annual base salary
Other Executives	1.5 times annual base salary

The following are considered to be "Shares" for purposes of the Guidelines:

- common shares owned directly by the executive;
- common shares owned jointly by the executive and his/her spouse or separately by the executive's spouse;
- common shares held in trust for the benefit of the executive or for the executive's spouse or children;
- common shares owned by a Canadian corporation controlled by the executive;
- DSUs granted to the executive, whether vested or unvested; and
- RSUs granted to the executive, whether vested or unvested, but excluding performance conditioned Restricted Stock Units.

Options are excluded.

Once an executive achieves the Guidelines, if the common share price declines, and the market value of the Shares held drops below the minimum, so long as the executive continues to hold the minimum number of shares (at peak price) going forward, the executive is considered to be in compliance with the Guidelines.

Executives are required to maintain ownership levels that meet or exceed the Guidelines within five years of being appointed or promoted to a position that is subject to the Guidelines, provided that if an executive's base salary is increased, then the executive will have 2 years from the time of the increase to meet the increased minimum Share ownership requirement.

The Company believes that given the short term and long term incentive programs in place for the Company's executives, there are sufficient programs in place to assist the executive to reach the required ownership level.

As at the Record Date all of the applicable NEOs are in compliance with the Guidelines.

COMPENSATION OF DIRECTORS

Philosophy and approach

The Company has designed the director compensation program to be fair and competitive and allow the Board to attract well qualified directors.

Program structure

Independent directors receive an annual retainer and meeting fees for serving on the Board. They are also reimbursed for reasonable travel expenses they incur to attend Board and Board committee meetings. The Lead Director receives an additional retainer to recognize the role's increased responsibility and similarly, Board committee chairs receive an additional retainer in recognition of their additional responsibilities in such roles.

Effective September 1, 2018, the annual retainer comprises a grant in the form of DSU's issued under the SBCP as part of the annual compensation paid to independent directors of the Company.

The following chart sets out the Board compensation structure for the financial year ended August 31, 2020.

Board Compensation Structure

Independent Director Role	Cash Retainer(s)	Equity Retainer (DSUs)
Annual Retainer:		
Director	$21,000	$40,000
Additional Retainer(s):		
Lead Director	$20,000	-
Audit & Risk Chair	$10,000	-
Human Resource & Corporate Governance Chair	$7,500	-
Meeting Fees*	$1,500/meeting	-
New Director Appointment	-	$10,000

**Meeting Fees apply to all regularly scheduled committee and Board meetings as well as any supplementary meetings as required.*

Independent Director Compensation Table

The following table identifies all compensation paid to the independent directors of the Company for the financial year ended August 31, 2020.

Director (1)	Cash Earned	(2) Share Based Awards	Option Based Awards	Non-equity Incentive Plan Compensation	Pension Value	All Other Compensation	Total Compensation
Scott Anderson	$29,750	$112,750	-	-	-	-	$142,500
Richard Leipsic	$88,000	$40,000	-	-	-	-	$128,000
Eric Stefanson	$90,500	$40,000	-	-	-	-	$130,500
Beth Horowitz	$69,000	$50,000	-	-	-	-	$119,000

Notes:

(1) Compensation for Laurie Goldberg is reported above in the disclosure of NEO's. Mr. Goldberg is not paid any compensation for his role as a director of the Company.

(2) DSUs vest immediately and are based on a common share price on the grant date of $9.20. Scott Anderson received 7,745 DSUs at an average value of $9.39 each, in lieu of the cash payment of certain quarterly director fees for the 2020 financial year – the Company Directors' Compensation Policy permits directors to receive DSUs in lieu of quarterly meeting fees upon request.

Outstanding Share Based Awards and Option Based Awards

The following table shows all awards outstanding to each independent director as at August 31, 2020.

	Option Based Awards				Share Based Awards		
Director	Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of Unexercised Units In-The-Money Options (1)	Number of Shares or Shares Based Awards Not Vested	Market Value of Share Based Awards Not Vested	Market Value of Share Based Awards Not Paid Out or Distributed (2)
Scott Anderson	6,014	$4.11	Jul.15, 2023	$30,611	-	-	-
	14,659	$3.59	Oct. 19, 2023	$82,237	-	-	-
	12,931	$3.99	Oct. 11, 2024	$67,371	-	-	-
	2,077	$7.22	Nov. 30, 2025	$4,112	-	-	-
Richard Leipsic	4,009	$4.11	July 15, 2023	$20,406	-	-	-
	9,773	$3.59	Oct. 19, 2023	$54,827	-	-	-
	8,621	$3.99	Oct. 11, 2024	$44,915	-	-	-
	1,385	$7.22	Nov. 30, 2025	$2,742	-	-	-
Eric Stefanson	4,009	$4.11	Jul. 15, 2023	$20,406	-	-	
	3,258	$3.59	Oct. 19, 2023	$18,277	-	-	-
	8,621	$3.99	Oct. 11, 2024	$44,915	-	-	-
	1,385	$7.22	Nov. 30, 2025	$2,742	-	-	-
Beth Horowitz	-	-	-	-	-	-	-

Notes:

(1) Value is calculated as the difference between the closing market price of the Company's common shares on the TSX-V on August 31, 2020, which was $9.49, and the exercise price, multiplied by the number of options.

(2) Value is calculated as the closing market price of the Company's common shares on the TSX-V on August 31, 2020, which was $9.49, multiplied by the number of vested DSUs.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table lists, for each of the independent directors, the values of incentive plan awards that were earned or vested during the financial year ended August 31, 2020.

Option Based Awards Director	Option Based Awards Value Vested During the Year (1)	Share Based Awards Value Vested During the Year (2)	Non-Equity Incentive Plan Compensation - Value Earned During the Year
Scott Anderson	$22,851	$118,967	-
Richard Leipsic	$15,237	$41,263	-
Eric Stefanson	$15,237	$41,263	-
Beth Horowitz	-	$51,521	-

Notes:

(1) Amount represents the aggregate dollar value that would have been realized if the options had been exercised on the vesting date, based on the difference between the market price of the common shares underlying the options on the TSX -V on the vesting date and the exercise price of the options.

(2) Value is calculated as the closing market price of the Company's common shares on the TSX-V on the date that the DSUs vested, which was $9.49, multiplied by the number of vested DSUs. None of the vested DSUs were settled as at August 31, 2020. Scott Anderson received 7,745 DSUs at an average value of $9.39 each, in lieu of the cash payment of certain quarterly director fees for the 2020 financial year.

Share Ownership Guidelines – Independent Directors

All of the Company's independent directors are subject to the Guidelines (as described above). The Guidelines are designed to align the interests of the independent directors with the interests of shareholders, to demonstrate their financial commitment to the Company through personal share ownership and are part of the Company's commitment to promote sound corporate governance practices.

Independent Directors are required to own Shares which have a Fair Value, (i.e. the greater of: (i) the Cost; and (ii) the Fair Market Value (as these terms are defined in the Guidelines) of the shares, DSUs or RSUs held) of at least 3 times the Director's Annual Retainer (defined as the basic annual dollar amount and value of annual DSUs payable to an independent Director for the Director's service to the Company for the financial year and it includes the additional payments made to the Director related to the Director's service as the Lead Director or as a Board Committee chairperson (if applicable) but does not include payments made to the Director for other matters such as meeting fees).

The following are considered to be "Shares" for purposes of the Guidelines:

- common shares owned directly by the Director;
- common shares owned jointly by the Director and his/her spouse or separately by the Director's spouse;
- common shares held in trust for the benefit of the Director or for the Director's spouse or children;
- common shares owned by a Canadian corporation controlled by the Director;
- DSUs granted to the Director, whether vested or unvested; and
- RSUs granted to the Director, whether vested or unvested, but excluding performance conditioned Restricted Stock Units.

Options are excluded.

Once a Director achieves the Guidelines, if the common share price declines, and the market value of the Shares held drops below the minimum, so long as the Director continues to hold the minimum number of shares (at peak price) going forward, the Director is considered to be in compliance with the Guidelines.

Directors are required to maintain ownership levels that meet or exceed the Guidelines within three years of being appointed, provided that if a Director's Annual Retainer is increased, then the Director will have 2 years from the time of the increase to meet the increased minimum Share ownership requirement.

The Company believes that given the participation by the Directors in the SBCP by virtue of the DSU compensation paid to them, there are sufficient programs in place to assist the Director to reach the required ownership level.

As at the Record Date all of the independent Directors are in compliance with the Guidelines.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at August 31, 2020. See "Statement of Executive Compensation – People Corporation Security Based Compensation Plan" above for the material features of the Company's equity based compensation plan.

Outstanding Securities as at August 31, 2020

Plan Category	Number of securities to be issued upon exercise outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	3,532,371	$7.13	1,838,327
Options:	3,030,776	$7.13	
RSUs:	335,887	N/A	
DSUs:	165,708	N/A	
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	**3.532,371**	**$7.13**	**1,838,327**