MANAGEMENT INFORMATION CIRCULAR

Roots

ROOTS CORPORATION
ANNUAL MEETING OF SHAREHOLDERS

May 8, 2018

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an Annual Meeting of the Shareholders (the "**Meeting**") of Roots Corporation ("**Roots**" or the "**Company**") will be held at the TMX Broadcast Centre, 130 King Street West, Toronto, Ontario, Canada M5X 1J2, on Friday, June 15, 2018 at 10:00 a.m. (Toronto time).

Meeting Business

The Meeting will be held for the following purposes:

1. to receive the annual consolidated financial statements of Roots for the fiscal year ended February 3, 2018, and the auditors' report thereon;
2. to elect members of the Board of Directors of Roots (see "Business to be Transacted at the Meeting – Election of the Board of Directors");
3. to appoint Roots' auditors and to authorize the directors to fix the auditors' remuneration (see "Business to be Transacted at the Meeting – Appointment of the Auditors"); and
4. to transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

Record Date

You have the right to receive notice of and vote at the Meeting as set out in the accompanying Management Information Circular if you are a Roots shareholder as of the close of business on May 1, 2018.

Your Vote is Important

As a Roots shareholder, it is important that you read the accompanying Management Information Circular carefully.

You are entitled to vote at the Meeting either in person or by proxy. If you are unable to attend the Meeting in person, you are requested to vote your Roots common shares using the enclosed form of proxy or voting instruction form.

Registered shareholders should complete and sign the enclosed form of proxy and return it in the envelope provided. Proxies must be received by Roots' transfer agent, Computershare Investor Services Inc., 100 University Avenue, 8th Floor, North Tower, Toronto, Ontario, M5J 2Y1, Canada, Attention: Proxy Department, by no later than 10:00 a.m. (Toronto time) on June 13, 2018. Alternatively, registered shareholders may attend the Meeting and vote in person by registering at the registration table on the day of the Meeting prior to the commencement of the Meeting.

If you are a non-registered shareholder, you should review the voting instruction form provided by your intermediary, which sets out the procedures to be followed for voting shares held through intermediaries.

Shareholders who are planning to attend the meeting and who require special arrangements for hearing or access impairment should contact Investor Relations at investors@roots.com.

By Order of the Board of Directors,

Jim Gabel
President and Chief Executive Officer

Toronto, Ontario
May 8, 2018

MANAGEMENT INFORMATION CIRCULAR

All information in this Management Information Circular (the "**Circular**") is as of May 8, 2018, unless otherwise indicated.

In this Circular, "we", "us", "our", "Roots" and "the Company" refer to Roots Corporation and its subsidiaries, where applicable. "Searchlight" refers to entities indirectly controlled by Searchlight Capital Partners, L.P. "Founders" refers to entities controlled by our founders, Michael Budman and Don Green. "You" and "your" refer to holders ("**Shareholders**") of common shares of Roots ("**Shares**"). Unless otherwise indicated, all references to "$" or "dollars" in this Circular refer to Canadian dollars.

This Circular is provided in connection with our Annual Meeting of Shareholders to be held on Friday, June 15, 2018 (the "**Meeting**"). Your proxy is being solicited by management of Roots for the items described in the Notice of Meeting on the previous page. We pay for all costs associated with soliciting your proxy. We usually make our request by mail, but we may also solicit your proxy by telephone or in person.

As a Shareholder, you have the right to attend and vote at the Meeting as set out in this Circular. Please read this Circular, as it gives you information that you will need to know in order to cast your vote. We also encourage you to read our management's discussion and analysis and annual consolidated financial statements for the fiscal year ended February 3, 2018 ("**Fiscal 2017**"). A copy of the management's discussion and analysis and annual consolidated financial statements for Fiscal 2017 will be sent to all registered and beneficial Shareholders other than those who have requested that materials not be sent to them. These documents are also available on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com and Roots' website at www.investors.roots.com.

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BUSINESS TO BE TRANSACTED AT THE MEETING

The following business will be transacted at the Meeting:

RECEIVING THE ANNUAL FINANCIAL STATEMENTS

- Management will present the annual financial results at the Meeting.

ELECTION OF THE BOARD OF DIRECTORS

- Eight director nominees are proposed for election to the board of directors (the "**Board**"). Shareholders may vote on the election of the directors.

APPOINTMENT OF THE AUDITORS

- The Board recommends the re-appointment of KPMG LLP as Roots' auditors. Shareholders may vote on the re-appointment of the auditors and the authorization of the Board to fix such auditors' compensation.

RECEIVING THE ANNUAL FINANCIAL STATEMENTS

Our audited consolidated financial statements for Fiscal 2017, including the auditors' report thereon, have been prepared and will be sent to registered and beneficial Shareholders who have requested that these materials be sent to them. Our audited consolidated financial statements for Fiscal 2017 are also available on SEDAR at www.sedar.com and our website at www.investors.roots.com.

ELECTION OF THE BOARD OF DIRECTORS

The Board has determined that eight directors will be elected at the Meeting. See "Election of Proposed Directors" on page 6 for more information.

The Board recommends that you vote **FOR** the election of each of the following persons who have been proposed by the Board for election as directors by the Shareholders:

- Jim Gabel
- Richard P. Mavrinac
- Joel Teitelbaum

The Board recommends that you vote **FOR** the election of each of the following persons who have been nominated by Searchlight and who have been proposed by the Board for election as directors by the Shareholders:

- Mary Ann Curran
- Gregory David
- Erol Uzumeri
- Eric Zinterhofer

The Board recommends that you vote **FOR** the election of the following person who has been nominated by the Founders and who has been proposed by the Board for election as a director by the Shareholders:

- Dale H. Lastman, C.M.

Directors appointed at the Meeting will serve, subject to our articles of incorporation ("**Articles**") and the *Canada Business Corporations Act* ("**CBCA**"), until the end of the next annual shareholder meeting or until their successors are elected or appointed. With the exception of Mary Ann Curran, all of the proposed directors are currently directors of Roots and were appointed as directors on or prior to the closing of our initial public offering on October 25, 2017 (the "**IPO**").

APPOINTMENT OF THE AUDITORS

If you are a Shareholder, you can vote on the appointment of the auditors and authorizing the Board to set the auditors' compensation. The Board recommends that you vote **FOR** the re-appointment of our current auditors, KPMG LLP, Chartered Professional Accountants, Licensed Public Accountants, as our auditor, and authorizing the Board to set KPMG LLP's compensation.

The auditors will serve until the end of the next annual shareholder meeting or until a successor is appointed. KPMG LLP have been our auditors since December 2015.

CONSIDERING OTHER BUSINESS

We will consider any other business that may properly come before the Meeting. As of the date of this Circular, we are not aware of any changes to the items above or any other business to be considered at the Meeting. If there are changes or new items, you or your proxyholder can vote your Shares on these items as you or your proxyholder sees fit. If any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy to vote in respect of those matters in accordance with their judgment.

VOTING INFORMATION

WHO CAN VOTE

We are authorized to issue an unlimited number of Shares. As of May 8, 2018, there were 41,980,500 issued and outstanding Shares.

Each Share you own as of the close of business on May 1, 2018, the record date for the Meeting, entitles you to one vote on each of the matters to be acted upon at the Meeting, or any adjournment or postponement thereof, either in person or by proxy. The right to vote at the Meeting is limited to Shareholders who own Shares as of the above record date for the Meeting.

The directors and officers of Roots are not aware of any person or company that beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the total outstanding Shares, other than (i) Searchlight, which beneficially owns, directly and indirectly, or exercises control or direction over 20,010,887 Shares, which represents approximately 47.7% of our issued and outstanding Shares, and (ii) the Founders, which beneficially own, directly and indirectly, or exercise control or direction over 5,250,122 Shares, which represents approximately 12.5% of our issued and outstanding Shares.

Searchlight and the Founders have each advised Roots that they intend to vote **FOR** the election of directors to the Board, the appointment of the auditors and authorizing the directors to set the auditors' compensation.

HOW TO VOTE

Registered Shareholder Voting

You are a registered shareholder ("**Registered Shareholder**") if your name appears on your Share certificate or on the register maintained by our transfer agent, Computershare Investor Services Inc. Your proxy form indicates if you are a registered shareholder. If you are a Registered Shareholder, you may vote in person at the Meeting or by proxy. See below for details on each voting option.

Voting in Person

If you are a Registered Shareholder and you wish to vote your Shares in person at the Meeting, you do not need to complete and return the form of proxy. Please register with our transfer agent, Computershare Investor Services Inc., upon arrival at the Meeting. Your vote will be taken and counted at the Meeting. You will need identification to enter the Meeting.

Voting in person at the Meeting will automatically cancel any proxy you may have completed earlier.

Voting by Proxy

Registered Shareholders have four options to vote by proxy:

- ***By Mail***

  Complete, date and sign the enclosed form of proxy and return it to our transfer agent, Computershare Investor Services Inc., in the envelope provided so that it arrives no later than 10:00 a.m. (Toronto time) on June 13, 2018. This will ensure your vote is recorded.

- ***By Telephone*** *(only available to Registered Shareholders resident in Canada or the United States)*

  Call 1-866-732-8683 and follow the instructions. You will need your 15-digit control number (located on the front of the form of proxy) to identify yourself to the system. If you are voting by telephone, all required information must be entered by 10:00 a.m. (Toronto time) on June 13, 2018. If you vote by telephone, you cannot appoint anyone other than the directors named on your proxy form as your proxyholder.

- ***On the Internet***

  Go to www.investorvote.com and follow the instructions on screen. You will need your 15-digit control number (located on the front of the form of proxy) to identify yourself to the system. If you are voting through the Internet, all required information must be entered by 10:00 a.m. (Toronto time) on June 13, 2018.

- ***By Fax***

  Complete, date and sign the enclosed form of proxy and return it by fax to 1-866-249-7775, so that it arrives no later than 10:00 a.m. (Toronto time) on June 13, 2018.

Signing the enclosed form of proxy gives authority to Erol Uzumeri or Jim Gabel, each of whom is a director of Roots, to vote your Shares at the Meeting. **You may appoint someone other than the above-named directors to vote your Shares by writing the name of the person that you wish to appoint, who need not be a Shareholder, in the blank space provided on the form of proxy.**

It is important to ensure that any other person you appoint is attending the Meeting and is aware that he or she has been appointed to vote your Shares. Proxyholders should, upon arrival at the Meeting, present themselves to a representative of our transfer agent, Computershare Investor Services Inc.

The persons named on the form of proxy must vote or withhold from voting your Shares in accordance with your directions, or you can let your proxyholder decide for you. In the absence of such directions, proxies received by management will be voted in favour of the election of directors to the Board, the appointment of the auditors and authorizing the directors to set the auditors' compensation.

The persons named in the form of proxy will have discretionary authority with respect to amendments or variations to matters identified in the Notice of Annual Meeting of Shareholders and with respect to other matters which may properly come before the Meeting.

As of the date of this Circular, management of Roots knows of no such amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the person named in your form of proxy will vote on them in accordance with their best judgment.

Revoking Your Proxy

If you are a Registered Shareholder and wish to revoke your proxy, you may revoke a vote you made by proxy by:

- voting again on the Internet before 10:00 a.m. (Toronto time) on June 13, 2018;
- completing a proxy form that is dated later than the proxy form you are changing and mailing it to Computershare Investor Services Inc. so that it is received at the address indicated before 10:00 a.m. (Toronto time) on June 13, 2018; or
- making a request in writing to the chair of the Meeting, at the Meeting or any adjournment or postponement thereof, before any vote in respect of which the proxy has been given or taken. The written request can be from you or your authorized attorney.

Non-Registered or Beneficial Shareholder Voting

Information in this section is very important to non-registered or beneficial owners of Shares. You are a non-registered or beneficial owner if your Shares are held in the name of an intermediary such as a bank, trust company, securities broker, depository (such as CDS Clearing and Depository Services Inc.) or other intermediary ("**Beneficial Shareholder**"). Applicable Canadian securities laws require intermediaries to seek voting instructions from Beneficial Shareholders. Accordingly, you will have received from your intermediary a voting instruction form for the number of Shares you hold.

Voting in Person

A Beneficial Shareholder who receives a voting instruction form from their intermediary cannot use that voting instruction form to vote Shares directly at the Meeting. To vote your Shares in person at the Meeting, your intermediary must appoint you as proxyholder. In order to be appointed as proxyholder, insert your name in the space provided on the voting instruction form and follow the return instructions provided by your intermediary. Do not fill in the voting directions as your vote will be taken at the Meeting. **The voting instruction form must be returned to your intermediary well in advance of the Meeting in order to have the Shares voted.** Upon arrival at the Meeting, please register with our transfer agent, Computershare Investor Services Inc. Since Roots has limited access to the names of its non-registered Beneficial Shareholders, if you attend the Meeting, we may have no record of your shareholdings or your entitlement to vote. Accordingly, unless you complete the voting instruction form as indicated above and your intermediary has appointed you as proxyholder, you may be unable to vote at the Meeting.

Voting Instruction

Beneficial Shareholders who do not wish to vote in person at the Meeting are still encouraged to vote their Shares. You can do so by following the instructions on the voting instruction form provided by your intermediary.

Each intermediary has its own procedures, which should be carefully followed to ensure that your Shares are voted at the Meeting. The persons named on the voting instruction form must vote for or withhold from voting your Shares in accordance with your directions, or you can let your proxyholder decide for you. In the absence of such directions, voting instruction forms received will be voted in favour of the election of directors to the Board, the appointment of the auditors and authorizing the directors to set the auditors' compensation.

The persons named in the voting instruction form you receive will have discretionary authority with respect to amendments or variations to matters identified in the Notice of Annual Meeting of Shareholders and with respect to other matters which may properly come before the Meeting.

If you are a Beneficial Shareholder and have not received a package containing a voting instruction form or form of proxy, please contact your intermediary.

As of the date of this Circular, management of Roots knows of no such amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the persons named in the voting instruction form will vote on them in accordance with their best judgment.

Revoking Your Voting Instruction

If you are a Beneficial Shareholder and wish to revoke your voting instructions, please contact your intermediary well in advance of the Meeting.

Delivery of Proxy-Related Materials

Proxy-related materials will be sent by Roots to the intermediaries and not directly to Beneficial Shareholders. Roots intends to pay for intermediaries to deliver proxy-related materials and Form 54-101F7 (request for voting instructions) to "objecting beneficial owners".

Additional Voting Information

Our transfer agent, Computershare Investor Services Inc., counts and tabulates the votes.

For general Shareholder enquiries, you can contact the transfer agent:

- by mail at:

  Computershare Investor Services Inc.
  100 University Avenue
  8th Floor, North Tower
  Toronto, Ontario M5J 2Y1
  Canada

- by telephone - within Canada and the United States at 1-800-564-6253, and from all other countries at 1-416-263-9200;

- by fax at 1-888-453-0330; or

- by e-mail at service@computershare.com.

ABOUT ROOTS CORPORATION

Established in 1973, Roots is an iconic Canadian lifestyle brand with a rich heritage and portfolio of premium apparel, leather goods, accessories and footwear. Roots delivers products to customers through its store network, online platform and international partnerships. As of February 3, 2018, our integrated omni-channel footprint included 116 corporate retail stores in Canada, three corporate retail stores in the United States, 110 partner-operated stores in Taiwan, 32 partner-operated stores in China and a global e-commerce platform that shipped to more than 50 countries during our most recently completed fiscal year.

ELECTION OF DIRECTORS

GENERAL

The Articles provide that the Board shall consist of a minimum of three (3) and a maximum of fifteen (15) directors. The Board determines the number of directors to be elected at a meeting of Shareholders. The Board has determined that, at the present time, there will be eight (8) directors, each of whom is to be elected at this Meeting and who will hold office until the end of the next annual meeting of Shareholders or until their successors are elected or appointed.

The director biographies on pages 9 to 16 of this Circular describe the directors who are proposed for election, along with their ownership of Shares.

Pursuant to an investor rights agreement between the Company, Searchlight and the Founders (the "**Investor Rights Agreement**") entered into in connection with the IPO, Searchlight and the Founders were granted the exclusive right to nominate a number of directors as described below.

Searchlight Nomination Rights

The Investor Rights Agreement provides that Searchlight (including its permitted affiliates) was initially entitled to nominate 40% of our directors (rounded up to the next whole member) and will continue to be entitled to nominate such percentage of our directors for so long as they, as a group, own, control or direct at least 40% of our outstanding Shares (on a non-diluted basis), provided that this percentage will be reduced:

- to 30% of our directors (rounded up to the next whole member) once Searchlight (including its permitted affiliates), as a group, own, control or direct less than 40% but not less than 30% of our outstanding Shares (on a non-diluted basis);

- to 20% of our directors (rounded up to the next whole member) once Searchlight (including its permitted affiliates), as a group, own, control or direct less than 30% but not less than 20% of our outstanding Shares (on a non-diluted basis);

- to 10% of our directors (rounded up to the next whole member) once Searchlight (including its permitted affiliates), as a group, own, control or direct less than 20% but not less than 10% of our outstanding Shares (on a non-diluted basis); and

- to none of our directors once Searchlight (including its permitted affiliates), as a group, own, control or direct less than 10% of our outstanding Shares (on a non-diluted basis).

Founders Nomination Rights

The Investor Rights Agreement provides that the Founders are collectively entitled to nominate one director for so long as the Founders (including its permitted affiliates), as a group, own, control or direct 10% or more of our outstanding Shares (on a non-diluted basis).

Pursuant to the Investor Rights Agreement, Searchlight and the Founders each exercise their respective nomination rights by submitting their nominees to our Board, which reviews the proposed nominations together with the remaining director nominations, determined solely by the Board or the Governance, Compensation and Nominating Committee (the "**GCN Committee**"), to be elected by the Shareholders at the Meeting.

The foregoing summary is qualified in its entirety by reference to the provisions of the Investor Rights Agreement. Any capitalized terms used but not defined in this summary are defined in our Annual Information Form. A copy of the Investor Rights Agreement is available under the Company's profile on SEDAR at www.sedar.com and a summary of further details has been included in the Company's most recent Annual Information Form, which is also available under the Company's profile on SEDAR at www.sedar.com.

All nominees have established their eligibility and willingness to serve as directors. Five of the eight nominees are independent within the meaning of applicable securities laws. All nominees, with the exception of Mary Ann Curran, are currently directors of Roots. Management does not believe that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the accompanying form of proxy (or voting instruction form) may vote for another nominee at their discretion (subject to Searchlight's and the Founders' nomination rights as described above). Each director shall hold office until the next annual meeting of Shareholders or until the director resigns or a successor is elected or appointed.

ADVANCE NOTICE PROVISIONS

We have included certain advance notice provisions with respect to the election of our directors in our by-laws (the "**Advance Notice Provisions**"). The Advance Notice Provisions are intended to: (i) facilitate orderly and efficient annual general meetings or, where the need arises, special meetings of our Shareholders; (ii) ensure that all Shareholders receive adequate notice of Board nominations and sufficient information with respect to all nominees; and (iii) allow Shareholders to register an informed vote. Only persons who are nominated by Shareholders in accordance with the Advance Notice Provisions will be eligible for election as directors at any annual meeting of Shareholders, or at any special meeting of Shareholders if one of the purposes for which the special meeting was called was the election of directors.

Under the Advance Notice Provisions, a Shareholder wishing to nominate a director would be required to provide us notice, in the prescribed form, within the prescribed time periods. These time periods include, (i) in the case of an annual meeting of Shareholders (including annual and special meetings), not less than 30 days prior to the date of the annual meeting of Shareholders; provided, that if the first public announcement of the date of the annual meeting of Shareholders (the "**Notice Date**") is less than 50 days before the meeting date, not later than the close of business on the 10th day following the Notice Date; and (ii) in the case of a special meeting (which is not also an annual meeting) of Shareholders called for any purpose which includes electing directors, not later than the close of business on the 15th day following the Notice Date, provided that, in either instance, if notice-and-access (as defined in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*) is used for delivery of proxy related materials in respect of a meeting described above, and the Notice Date in respect of the meeting is not less than 50 days prior to the date of the applicable meeting, the notice must be received not later than the close of business on the 40th day before the applicable meeting.

A copy of our by-laws are available under the Company's profile on SEDAR at www.sedar.com.

INDIVIDUAL AND MAJORITY VOTING POLICY

The Board believes that each of its members should carry the confidence and support of our Shareholders. To this end, the Board has adopted an individual and majority voting policy that requires that Shareholders be able to vote in favour of, or withhold from voting, separately for each nominee for director and that, in an uncontested election of directors, any nominee for director who receives a greater number of votes "withheld" from his or her election than votes "for" such election must immediately tender his or her resignation to the chair of the Board following the applicable meeting or, if the affected director is the chair, to each member of the GCN Committee. Any resignation received by the chair of the Board will be promptly referred to the GCN Committee for consideration. An "uncontested election" means an election where the number of nominees for directors is equal to the number of directors to be elected.

The GCN Committee will, promptly following the resignation but in any event within 30 days of the applicable Shareholders' meeting, consider the offer of resignation and will recommend to the Board whether or not to accept it. The GCN Committee will recommend that the Board accept the resignation absent exceptional circumstances that would warrant the applicable director to continue to serve on the Board.

The Board will act on the GCN Committee's recommendation promptly following its receipt thereof and, in any event, within 90 days of the applicable Shareholders' meeting. The Board will accept the GCN Committee's recommendation absent exceptional circumstances. If a resignation is accepted, the Board may, subject to applicable law, our Articles and the Investor Rights Agreement, appoint a new director to fill any vacancy created by the resignation, reduce the size of the Board or call a meeting of Shareholders to appoint a replacement. A resignation will be effective upon its acceptance by the Board. We will promptly issue a news release with the Board's decision. If the Board determines not to accept a resignation, the news release will fully state the reasons for that decision.

Director Nominee Biographies

MARY ANN CURRAN[1]	Independent

Ontario, Canada

Director since:
N/A

Principal Occupation:
Ms. Curran is the Chief Executive Officer of BrightPath Early Learning Inc., a provider of early childhood education services in Canada, a position she has held since 2012.

Other Activities:
Between 1998 and 2010, Ms. Curran had a successful career with Jones Apparel Group Canada. After initially serving as its Vice President and Chief Financial and Operating Officer, Ms. Curran was promoted to President and Chief Executive Officer. Prior to her role with Jones Apparel Group Canada, Ms. Curran served between 1992 and 1997 in various roles in strategy development, financial management, planning and analysis and information technology with Abitibi-Price. Prior thereto, she held both planning and analysis and auditing positions with Pepsi-Cola Canada Inc. and Price Waterhouse. Ms. Curran served as a director of the Toronto Rehabilitation Institute, is a Chartered Accountant and holds a Master of Business Administration degree from York University and a Bachelor of Business Administration degree from Wilfrid Laurier University. Ms. Curran also holds an ICD.D designation from the Institute of Corporate Directors.

Public Board Memberships During Last Five Years:
None

Public Board Interlocks:
None

Committees (if elected):
Audit Committee

Meetings Attended in Fiscal 2017:
N/A

Share Ownership

Shares Owned or Controlled	Deferred Share Units	Market Value[5]	Minimum Share Ownership (if elected)	Date at which Share Ownership Guideline is to be Met (if elected)	Has Share Ownership Guideline Been Met?
Nil	Nil	Nil	$300,000	June 15, 2023	N/A

GREGORY DAVID[1]	**Independent**

Ontario, Canada

Director since:
October 2017

Principal Occupation:
Mr. David is the chief executive officer of GRI Capital Inc., a private investment management firm, and has been with the company and its affiliates since 2003.

Other Activities:
Mr. David provided financial and strategic advisory services to private and public companies from 2000 to 2003. Previously, he worked at Claridge Inc. from 1998 to 2000 and at McKinsey & Co. from 1996 to 1998. Mr. David also currently serves on the board of Dollarama Inc., a position he has held since 2004. Mr. David received a Bachelor of Commerce degree from Queen's University, a Bachelor of Common Law and a Bachelor of Civil law degree from McGill University and a Master of Business Administration with Distinction from Harvard Business School.

Public Board Memberships During Last Five Years:
Dollarama Inc. (2004 to Present)

Public Board Interlocks:
None

Committees:
GCN Committee

Meetings Attended in Fiscal 2017[4]**:**
Board Meetings – 1 of 1 (100%)
GCN Committee Meetings – 0 of 0 (100%)

SHARE OWNERSHIP

Shares Owned or Controlled	Deferred Share Units	Market Value[5]	Minimum Share Ownership	Date at which Share Ownership Guideline is to be Met	Has Share Ownership Guideline Been Met?
Nil	Nil	Nil	$300,000	October 25, 2022	In Progress

JIM GABEL[1] — Not Independent[2]

Ontario, Canada

Director since:
October 2017

Principal Occupation:
Mr. Gabel is currently the President and Chief Executive Officer of Roots, a position he has held since February 2016.

Other Activities:
Mr. Gabel has more than 25 years' experience in the footwear and apparel industry. Prior to joining Roots, Mr. Gabel served as the president of The Performance Group and an officer of Wolverine World Wide from 2014 to 2016, where he oversaw the brands of Saucony, Merrell and Chaco and had global responsibility for U.S.$1 billion in revenue. Prior to that, Mr. Gabel held a number of senior executive roles at adidas Group from 2008 to 2014, including president of adidas Group Canada and president of Reebok North America. Mr. Gabel received a Bachelor of Business Administration degree from Wilfrid Laurier University.

Public Board Memberships During Last Five Years:
None

Public Board Interlocks:
None

Committees:
None

Meetings Attended in Fiscal 2017[4]:
Board Meetings – 1 of 1 (100%)

SHARE OWNERSHIP

Shares Owned or Controlled	Restricted/ Performance Share Units	Market Value[5]	Minimum Share Ownership[6]	Date at which Share Ownership Guideline is to be Met[8]	Has Share Ownership Guideline Been Met?
78,548	6,200	$1,133,928.24	$2,111,400	October 25, 2022	In Progress

DALE H. LASTMAN, C.M.(1) — Lead Independent Director

Ontario, Canada

Director since:
October 2017

Principal Occupation:
Mr. Lastman is the chair and a partner at Goodmans LLP. He practices corporate, commercial and securities law and provides counsel in connection with public offerings, mergers and acquisitions, and business restructurings.

Other Activities:
Mr. Lastman is the chair and a partner at Goodmans LLP. He practices corporate, commercial and securities law and provides counsel in connection with public offerings, mergers and acquisitions, and business restructurings. He is a Director of Maple Leaf Sports & Entertainment Ltd., an Alternate Governor for the NHL and NBA and the CFL Governor of the Toronto Argonauts. Mr. Lastman also sits on the board of directors of RioCan Real Estate Investment Trust and the CAMH Foundation. In 2017, he was named a Member of the Order of Canada. In 2014, Mr. Lastman was appointed by the Minister of National Defence as an Honorary Captain of the Royal Canadian Navy. He has also been awarded the rank of an Honorary Detective by the Toronto Police Service. Mr. Lastman previously served on our Board from December 2015 to March 2017.

Public Board Memberships During Last Five Years:
RioCan Real Estate Investment Trust (2004 to Present)

Public Board Interlocks:
None

Committees:
GCN Committee

Meetings Attended in Fiscal 2017(4):
Board Meetings – 1 of 1 (100%)
GCN Committee Meetings – 0 of 0 (100%)

SHARE OWNERSHIP

Shares Owned or Controlled	Deferred Share Units	Market Value(5)	Minimum Share Ownership	Date at which Share Ownership Guideline is to be Met	Has Share Ownership Guideline Been Met?
Nil	2,330	$31,175.40	$300,000	October 25, 2022	In Progress

RICHARD P. MAVRINAC[1] — Independent

Ontario, Canada

Director since:
October 2017

Principal Occupation:
Mr. Mavrinac is currently a corporate director.

Other Activities:
Mr. Mavrinac served as the Chief Financial Officer of George Weston Limited and Executive Vice President of Loblaw Companies Limited from 2003 to 2007. Mr. Mavrinac began his career with Loblaw Companies Limited in 1982 and held a variety of senior financial positions. In 1996, he assumed the role of Senior Vice President, Finance for George Weston Limited and Loblaw Companies Limited. Mr. Mavrinac is currently a member of the boards of TerrAscend Corp. and Canopy Rivers Corporation. Mr. Mavrinac has a Bachelor of Commerce degree from the University of Toronto and is a chartered professional accountant.

Public Board Memberships During Last Five Years:

TerrAscend Corp.	(2017 to Present)
Canopy Rivers Corporation	(May 2018 to Present)

Public Board Interlocks:
None

Committees:
Audit Committee (Chair)

Meetings Attended in Fiscal 2017[4]:
Board Meetings – 1 of 1 (100%)
Audit Committee Meetings – 1 of 1 (100%)

SHARE OWNERSHIP

Shares Owned or Controlled	Deferred Share Units	Market Value[5]	Minimum Share Ownership	Date at which Share Ownership Guideline is to be Met	Has Share Ownership Guideline Been Met?
Nil	2,251	$30,118.38	$300,000	October 25, 2022	In Progress

JOEL TEITELBAUM[1]	Independent

Quebec, Canada

Director since:
April 2017

Principal Occupation:
Mr. Teitelbaum is currently the chairman and chief executive officer of iStore Inc., a retail and wholesale licensor of personal electronics and tech accessories, a position he has held since 2010.

Other Activities:
Mr. Teitelbaum was previously the president of La Senza International, now a subsidiary of L Brands Inc., from 1998 to 2010. In 1994, Mr. Teitelbaum launched the La Senza brand in the UK where he remained managing director until 1998. Earlier in his career, Mr. Teitelbaum held various senior management positions at Dylex Limited, including at their Club Monaco division. Mr. Teitelbaum received a degree in general studies from Marianopolis College in Montreal, Quebec. He also studied for a B.A. in Economics at Concordia University in Montreal, Quebec.

Public Board Memberships During Last Five Years:
None

Public Board Interlocks:
None

Committees:
Audit Committee

Meetings Attended in Fiscal 2017[4]:
Board Meetings – 1 of 1 (100%)
Audit Committee Meetings – 1 of 1 (100%)

SHARE OWNERSHIP

Shares Owned or Controlled	Restricted/ Deferred Share Units[7]	Market Value[5]	Minimum Share Ownership	Date at which Share Ownership Guideline is to be Met	Has Share Ownership Guideline Been Met?
Nil	18,041	$241,388.58	$300,000	October 25, 2022	In Progress

EROL UZUMERI[1]	**Not Independent**[3]

Principal Occupation:
Mr. Uzumeri is a Founding Partner of Searchlight Capital Partners, L.P., and is jointly responsible for overseeing the firm's activities with the two other Founding Partners.

Other Activities:
Prior to co-founding Searchlight in 2010, Mr. Uzumeri was the head of Private Equity for the Ontario Teachers' Pension Plan. Mr. Uzumeri is currently Chairman of the board of M&M Food Market and serves on the board of the Sick Kids Hospital Foundation. Mr. Uzumeri graduated from the University of Toronto, with a Bachelor of Science degree in Honours Industrial Engineering and received a Master of Science degree in Finance from the London Business School.

Ontario, Canada

Chairman since:
December 2015

Public Board Memberships During Last Five Years:
None

Public Board Interlocks:
None

Committees:
Audit Committee
GCN Committee (Chair)

Meetings Attended in Fiscal 2017[4]**:**
Board Meetings – 1 of 1 (100%)
Audit Committee Meetings – 1 of 1 (100%)
GCN Committee Meetings – 0 of 0 (100%)

SHARE OWNERSHIP

Shares Owned or Controlled	Deferred Share Units	Market Value[5]	Minimum Share Ownership[6]	Date at which Share Ownership Guideline is to be Met	Has Share Ownership Guideline Been Met?
Nil[8]	Nil	Nil	N/A	N/A	N/A

ERIC ZINTERHOFER[1] — Not Independent[3]

New York, United States

Director since:
December 2015

Principal Occupation:
Mr. Zinterhofer is a Founding Partner of Searchlight Capital Partners, L.P., and is jointly responsible for overseeing the firm's activities with the two other Founding Partners.

Other Activities:
Prior to co-founding Searchlight in 2010, Mr. Zinterhofer was a senior partner at Apollo Management, L.P. in New York. Mr. Zinterhofer serves on the boards of Global Eagle Entertainment Inc., Liberty Latin America, Hemisphere Media Group, Inc., Liberty Cable Vision of Puerto Rico and TouchTunes Interactive Networks, Inc. In addition, Mr. Zinterhofer currently serves on the board of Charter Communications, Inc. as Lead Independent Director. Mr. Zinterhofer graduated *Cum Laude* from the University of Pennsylvania, with Bachelor of Arts degrees in Honours Economics and European History and received a Master of Business Administration degree from Harvard Business School.

Public Board Memberships During Last Five Years:

Global Eagle Entertainment Inc.	(2018 to Present)
Liberty Latin America	(2017 to Present)
Hemisphere Media Group, Inc.	(2016 to Present)
General Communications, Inc.	(2015 to 2018)
Charter Communications, Inc.	(2010 to Present)

Public Board Interlocks:
None

Committees:
None

Meetings Attended in Fiscal 2017[4]:
Board Meetings – 1 of 1 (100%)

SHARE OWNERSHIP

Shares Owned or Controlled	Deferred Share Units	Market Value[5]	Minimum Share Ownership[6]	Date at which Share Ownership Guideline is to be Met	Has Share Ownership Guideline Been Met?
Nil[8]	Nil	Nil	N/A	N/A	N/A

Notes:

(1) None of the director nominees of Roots, as at the date of this Circular, is or has been within the 10 years before the date of this Circular, (a) a director, chief executive officer or chief financial officer of any company that was subject to an order (as defined below) that was issued while the existing or proposed director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, (b) was subject to an order that was issued after the existing or proposed director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer, or (c) a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, 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, receiver manager or trustee appointed to hold its assets. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

No director nominee has, within 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or has been 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 trustee, executive officer or shareholder.

No director nominee 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 be likely to be considered important to a reasonable investor in deciding whether to vote for a nominee.

(2) Jim Gabel is considered a non-independent director as he is the President and Chief Executive Officer of Roots.

(3) Erol Uzumeri and Eric Zinterhofer are considered non-independent directors as a result of their relationship with Searchlight.

(4) Attendance figures reflect Board and committee meetings held for the period from October 25, 2017 (closing of the IPO) to February 3, 2018 (our fiscal year end).

(5) Reflects the market value of Shares, Restricted Share Units ("**RSUs**"), Performance Share Units ("**PSUs**") and Deferred Share Units ("**DSUs**"). Market Value of Shares, RSUs, PSUs and DSUs represents the number of Shares, RSUs, PSUs and DSUs held as of May 7, 2018 multiplied by the closing price of the Shares on the Toronto Stock Exchange ("**TSX**") on May 7, 2018, of $13.38.

(6) As non-independent directors, Jim Gabel, Erol Uzumeri and Eric Zinterhofer do not receive compensation in their capacity as directors of Roots. Accordingly, Jim Gabel, Erol Uzumeri and Eric Zinterhofer are not subject to the Director Share Ownership Guidelines. As Jim Gabel is the President and Chief Executive Officer of Roots, Jim Gabel is subject to the Executive Share Ownership Guidelines. See "Director Compensation – Director Share Ownership Guidelines" and "Executive Compensation – Compensation Discussion and Analysis – Executive Share Ownership Guidelines".

(7) Figure includes 15,985 RSUs granted to Joel Teitelbaum in connection with his appointment to the Board prior to the IPO and 2,056 DSUs granted in April 2018. The value of the RSUs and the DSUs is calculated based on the closing price of the Shares on the TSX on May 7, 2018, of $13.38.

(8) Each of Erol Uzumeri and Eric Zinterhofer disclaim beneficial ownership of the 20,010,887 Shares held by Searchlight.

BOARD AND COMMITTEE ATTENDANCE

The following table provides a summary of each director's attendance at Board and Committee meetings in Fiscal 2017[(1)]:

Name[(2)]	Board (1 meeting)	Audit Committee (1 meeting)	GCN Committee (0 meetings)	Overall Attendance	
Gregory David	1 of 1 (100%)	–	0 of 0 (100%)	1 of 1	100%
Jim Gabel	1 of 1 (100%)	–	–	1 of 1	100%
Dale H. Lastman	1 of 1 (100%)	–	0 of 0 (100%)	1 of 1	100%
Richard P. Mavrinac	1 of 1 (100%)	1 of 1 (100%)	–	2 of 2	100%
Joel Teitelbaum	1 of 1 (100%)	1 of 1 (100%)	–	2 of 2	100%
Erol Uzumeri	1 of 1 (100%)	1 of 1 (100%)	0 of 0 (100%)	2 of 2	100%
Eric Zinterhofer	1 of 1 (100%)	–	–	1 of 1	100%
TOTAL	100%	100%	100%	–	100%

Notes:

(1) Represents the number of Board and Committee meetings held in Fiscal 2017 following the closing of the IPO.

(2) Mary Ann Curran did not serve on our Board or any of its Committees in Fiscal 2017.

OUR APPROACH TO CORPORATE GOVERNANCE

GENERAL

We recognize that good corporate governance plays an important role in our overall success and in enhancing shareholder value. The disclosure set out below describes our approach to corporate governance.

THE ROLE OF THE BOARD

Our Board is responsible for supervising the management of our business and affairs, including providing guidance and strategic oversight to management. Our Board has adopted a formal mandate in the form set forth in Appendix A that includes the following:

- appointing the Chief Executive Officer;
- appointment, evaluation and development of senior management and succession planning;

- approving the corporate goals and objectives that the Chief Executive Officer is responsible for meeting and reviewing the performance of the Chief Executive Officer against such corporate goals and objectives;
- taking steps to satisfy itself as to the integrity of the Chief Executive Officer and other senior executive officers and that the Chief Executive Officer and other senior executive officers create a culture of integrity throughout the organization; and
- reviewing and approving management's strategic and business plans.

Our Board has adopted a written position description for the Chair of the Board, which sets out the Chair's key responsibilities, including, among others, duties relating to setting Board meeting agendas, chairing Board and Shareholder meetings, director development and communicating with Shareholders and regulators. Our Board has adopted a written position description for our lead director. See "– Meetings of Independent Directors and Conflicts of Interest".

Our Board has adopted a written position description for each of our committee chairs which sets out each of the committee chair's key responsibilities, including, among others, duties relating to setting committee meeting agendas, chairing committee meetings and working with the respective committee and management to ensure, to the greatest extent possible, the effective functioning of the committee.

Our Board has adopted a written position description for our Chief Executive Officer which sets out the key responsibilities of our Chief Executive Officer, including, among other duties, in relation to providing overall leadership, ensuring the development of a strategic plan and recommending such plan to our Board for consideration, ensuring the development of an annual corporate plan and budget that supports the strategic plan and recommending such plan to our Board for consideration and supervising day-to-day management and communicating with Shareholders and regulators.

Corporate Governance Policies and Practices

Roots is committed to strong corporate governance policies and practices. Our policies and practices continue to be developed having regard to the external environment and externally cited best practices to ensure that our governance practices are comprehensive, relevant, effective and transparent. We have adopted the following corporate governance policies to date, certain of which are available on our website at www.investors.roots.com:

- Code of Conduct;
- Corporate Governance Guidelines;
- Disclosure Policy;
- Insider Trading Policy;
- Majority Voting Policy; and
- Whistleblower Policy.

Composition of our Board and Board Committees

Under our Articles, our Board is to consist of a minimum of three (3) and a maximum of fifteen (15) directors as determined from time to time by the directors. Our Board currently consists of seven (7) directors, the majority of whom are considered to be independent under Canadian securities laws and all but one of whom are resident Canadians. If Mary Ann Curran is elected to our Board at the Meeting, our Board will consist of eight (8) directors, the majority of whom will be considered to be independent under Canadian securities laws, and all but one of whom are resident Canadians. Under the CBCA, a director may be removed with or without cause by a resolution passed by an ordinary majority of the votes cast by Shareholders present in person or by proxy at a meeting of Shareholders and who are entitled to vote. The directors will be elected by Shareholders at each annual meeting of Shareholders, and all directors will hold office for a term expiring at the close of the next annual meeting or until their respective successors are elected or appointed.

Certain aspects of the composition and functioning of our Board are governed by the terms of the Investor Rights Agreement. See also “Election of Directors”. The nominees for election by Shareholders as directors will be determined by the GCN Committee in accordance with the provisions of applicable corporate law, the Investor Rights Agreement and the charter of the GCN Committee. See also “– Committees of our Board – Governance, Compensation and Nominating Committee”.

DIRECTOR INDEPENDENCE

Under National Instrument 58-101 – *Disclosure of Corporation Governance Practices*, a director is considered to be independent if he or she is independent within the meaning of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). Pursuant to NI 52-110, an independent director is a director who is free from any direct or indirect relationship which could, in the view of our Board, be reasonably expected to interfere with a director’s independent judgment. Based on information provided by each director nominee concerning his or her background, employment and affiliations, our Board has determined that, of the eight directors nominated for election to our Board, Erol Uzumeri, Eric Zinterhofer and Jim Gabel are not considered to be “independent” within the meaning of applicable securities laws as a result of their respective relationships with us or Searchlight, as applicable. Certain members of our Board are also members of the board of directors of other public companies (see “Election of Directors – Director Nominee Biographies”). Our Board has not adopted a director interlock policy, but is keeping informed of other public directorships held by its members.

MEETINGS OF INDEPENDENT DIRECTORS AND CONFLICTS OF INTEREST

Our Board believes that given its size and structure, including the fact that a majority of our directors are independent, it is able to facilitate independent judgment in carrying out its responsibilities. To enhance such independent judgment, the independent members of the Board hold in-camera meetings with members of management and the non-independent directors not in attendance, as part of regularly scheduled Board meetings. Open and candid discussion among the independent directors is facilitated by the relatively small size of the Board and great weight is attributed to the views and opinions of the independent directors. Our Board has not appointed an independent Chair; however, Dale H. Lastman has been appointed as lead director by our Board and is responsible for ensuring that the directors who are independent of management have opportunities to meet without management present, as required. The lead director shall be appointed and replaced from time to time by the Board. Discussions are led by the lead director who provides feedback subsequently to the Chair.

A director who has a material interest in a matter before our Board or any committee on which he or she serves is required to disclose such interest as soon as the director becomes aware of it. In situations where a director has a material interest in a matter to be considered by our Board or any committee on which he or she serves, such director may be required to absent himself or herself from the meeting while discussions and voting with respect to the matter are taking place. Directors are also required to comply with the relevant provisions of the CBCA regarding conflicts of interest.

COMMITTEES OF OUR BOARD

Our Board has established two committees: the Audit Committee and the GCN Committee. All members of the Audit Committee will be persons determined by our Board to be independent directors except during temporary time periods in limited circumstances in accordance with NI 52-110.

Audit Committee

Our Audit Committee consists of three directors, each of whom are persons determined by our Board to be financially literate within the meaning of NI 52-110 and two of whom are currently persons determined by our Board to be independent directors within the meaning of NI 52-110. Our Audit Committee is currently comprised of:

- Richard P. Mavrinac (Chair);
- Joel Teitelbaum; and
- Erol Uzumeri.

In the event that Mary Ann Curran is elected to the Board at the Meeting, Mary Ann Curran will replace Erol Uzumeri on the Audit Committee, at which point all members of the Audit Committee will be considered independent directors.

Each of our Audit Committee members has an understanding of the accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting. For additional details regarding the relevant education and experience of each member of our Audit Committee, see "Election of Directors – Director Nominee Biographies".

Our Board has adopted a written charter for the Audit Committee that sets out the purpose, composition, authority and responsibility of our Audit Committee, consistent with NI 52-110. The Audit Committee assists our Board in discharging its oversight of:

- the quality and integrity of our financial statements and related information;
- the independence, qualifications and appointment of our external auditor;
- our disclosure controls and procedures, internal control over financial reporting and management's responsibility for assessing and reporting on the effectiveness of such controls;
- our risk management processes;
- monitoring and periodically reviewing our whistleblower policy; and
- transactions with our related parties.

Our Audit Committee has access to all of our books, records, facilities and personnel and may request any information about us as it may deem appropriate. It also has the authority, in its sole discretion and at our expense, to retain and set the compensation of outside legal, accounting or other advisors as necessary to assist in the performance of its duties and responsibilities. Our Audit Committee also has direct communication channels with the Chief Financial Officer and our external auditors to discuss and review such issues as our Audit Committee may deem appropriate.

Additional information about our Audit Committee, as required by NI 52-110, is in our annual information form, which is available on SEDAR at www.sedar.com.

External Auditor Service Fee

For Fiscal 2017 and the 52-week period ended January 28, 2017 ("**Fiscal 2016**"), we incurred the following fees by our external auditor, KPMG LLP:

	Fiscal 2017	**Fiscal 2016**
Audit fees(1)	$950,850	$150,000
Audit-related fees(2)	275,250	–
Tax fees(3)	77,573	44,000
All other fees(4)	–	15,300
Total fees paid	**$1,303,673**	**$209,300**

Notes:
(1) Fees for audit service, interim reviews, and fees related to the IPO, in each case on an accrued basis.
(2) Fiscal 2017 audit-related fees are primarily fees and costs related to internal controls over financial reporting.
(3) Fees for tax compliance, tax advice and tax planning.
(4) All other fees not included above.

The Audit Committee Charter provides that the Audit Committee must pre-approve the retaining of the auditors for any non-audit service. The Audit Committee may delegate to one or more members the authority to pre-approve the retaining of the auditors for any non-audit service to the extent permitted by law, but pre-approval by such member or members so delegated must be presented to the full Audit Committee at its first scheduled meeting following such pre-approval.

GOVERNANCE, COMPENSATION AND NOMINATING COMMITTEE

Our GCN Committee is comprised of three directors, two of whom are persons determined by our Board to be independent directors, and is charged with reviewing, overseeing and evaluating our corporate governance, compensation and nominating policies. Our GCN Committee is currently comprised of:

- Erol Uzumeri (Chair);
- Dale H. Lastman; and
- Gregory David.

No member of our GCN Committee is an officer of Roots, and as such, our Board believes that the GCN Committee is able to conduct its activities in an objective manner.

Our Board believes that the members of the GCN Committee individually and collectively possess the requisite knowledge, skill and experience in governance and compensation matters, including human resource management, executive compensation matters and general business leadership, to fulfill the GCN Committee's mandate. All members of the GCN Committee have substantial knowledge and experience as current and former senior executives of large and complex organizations and on the boards of other publicly traded entities. For additional details regarding the relevant education and experience of each member of our GCN Committee, including the direct experience that is relevant to each committee member's responsibilities in executive compensation, see "Election of Directors – Director Nominee Biographies".

Our Board has adopted a written charter for the GCN Committee in the form set forth in Appendix B that sets forth the purpose, composition, authority and responsibility of our GCN Committee consistent with our Corporate Governance Guidelines. Our GCN Committee's purpose is to assist our Board in:

- the appointment, performance, evaluation and compensation of our senior executives;
- the recruitment, development and retention of our senior executives;
- maintaining talent management and succession planning systems and processes relating to our senior management;
- developing a compensation structure for our senior executives including salaries, annual and long-term incentive plans including plans involving share issuances and other share-based awards;
- establishing policies and procedures designed to identify and mitigate risks associated with our compensation policies and practices;
- assessing the compensation of our directors;
- developing benefit, retirement and savings plans;
- developing our corporate governance guidelines and principles and providing us with governance leadership;
- identifying and overseeing the recruitment of candidates qualified to be nominated as members of our Board;
- reviewing the structure, composition and mandate of Board committees; and
- evaluating the performance and effectiveness of our Board and of our Board committees.

Our GCN Committee is responsible for establishing and implementing procedures to evaluate the performance and effectiveness of our Board, committees of our Board and the contributions of individual Board members. Our GCN Committee also takes reasonable steps to evaluate and assess, on an annual basis, directors' performance and effectiveness of our Board, committees of our Board, individual Board members, our chair and committee chairs. The assessment addresses, among other things, individual director independence, individual director and overall Board skills, and individual director financial literacy. Our Board receives and considers the recommendations from our GCN Committee regarding the results of the evaluation of the performance and effectiveness of our Board, committees of our Board, individual Board members, our chair and committee chairs. In identifying new candidates for our Board, the GCN Committee will consider what competencies and skills our Board, as a whole, should possess and assess what competencies and skills each existing director possesses, considering our Board as a group, and the personality and other qualities of each director, as these may ultimately determine the boardroom dynamic. Our GCN Committee is also responsible for orientation and continuing education programs for our directors. See also "– Orientation and Continuing Education".

For information on the process by which the GCN Committee and the Board determine the compensation of our directors and executive officers, see "Director Compensation" and "Executive Compensation" below.

Director Term Limits and Other Mechanisms of Board Renewal

Directors are to be elected at each annual meeting of Shareholders to hold office for a term expiring at the close of the next annual meeting, or until a successor is appointed or elected, and will be eligible for re-election. Other than the nominees which may be nominated by Searchlight and the Founders pursuant to their nomination rights as described above, nominees will be nominated by the GCN Committee, in each case for election by Shareholders as directors in accordance with the provisions of our constating documents and applicable corporate and securities laws. All nominees who are nominated, whether by Searchlight, the Founders or the GCN Committee, will be included in the proxy-related materials to be sent to Shareholders prior to each annual meeting of Shareholders.

Our Board has not adopted director term limits or other automatic mechanisms of board renewal. Rather than adopting formal term limits, mandatory age-related retirement policies and other mechanisms of board renewal, the GCN Committee of our Board will seek to maintain the composition of our Board in a way that provides, in the judgment of our Board, the best mix of skills and experience to provide for our overall stewardship. Our GCN Committee is also expected to conduct a process for the assessment of our Board, each committee and each director regarding his, her or its effectiveness and performance, and to report evaluation results to our Board. See also "– Diversity".

ORIENTATION AND CONTINUING EDUCATION

To maintain reasonable assurance that every new director engages in a comprehensive orientation process and that all directors are provided with continuing education opportunities, the GCN Committee has implemented an orientation program for new directors under which a new director will meet with the chair, the lead director, members of senior management and our secretary. New directors will be provided with comprehensive orientation and education as to the nature and operation of Roots and our business, the role of our Board and its committees, and the contribution that an individual director is expected to make. The GCN Committee is responsible for overseeing director continuing education designed to maintain or enhance the skills and abilities of the directors and to ensure that their knowledge and understanding of our business remains current. The chair of each committee is responsible for coordinating orientation and continuing director development programs relating to the GCN Committee's mandate.

ETHICAL BUSINESS CONDUCT

We have adopted a written code of conduct (the "**Code of Conduct**") that applies to all of our directors, officers and employees. The objective of the Code of Conduct is to provide guidelines for maintaining our and our subsidiaries' integrity, reputation, honesty, objectivity and impartiality. The Code of Conduct addresses conflicts of interest, protection of our assets, confidentiality, fair dealing with Shareholders, competitors and employees, insider trading, compliance with laws and reporting any illegal or unethical behaviour. As part of the Code of Conduct, any person subject to the Code of Conduct is required to avoid or fully disclose interests or relationships that are harmful or detrimental to our best interests or that may give rise to real, potential or the appearance of conflicts of interest. Our Board has ultimate responsibility for the stewardship of the Code of Conduct and it monitors compliance through the GCN Committee. Directors, officers and employees are required to annually certify that they have not violated the Code of Conduct.

The Code of Conduct is available on our website at www.investors.roots.com and on SEDAR at www.sedar.com.

DIVERSITY

We believe that having a diverse Board can offer a breadth and depth of perspectives that enhance our Board's performance. We value diversity of abilities, experience, perspective, education, gender, background, race and national origin. Recommendations concerning director nominees are expected to be based on merit and past performance as well as expected contribution to our Board's performance and, accordingly, diversity is taken into consideration. As of the date of this Circular, 0 of 7 members on our Board (0%) are female members. If Mary Ann Curran is elected to the Board at the Meeting, there will be 1 of 8 female members on our Board (12.5%).

We have recruited and selected executive officer and senior management candidates that represent a diversity of business understanding, personal attributes, abilities and experience. Currently, 2 of 5 of our executive officers, or 40%, and 6 of 12 members of our senior management team, or 50%, are female.

We do not currently have a formal policy for the representation and nomination of women on our Board or our senior management, as we have been successful in recruiting and retaining qualified female directors and senior management under our existing recruitment policies and processes. We have not adopted formal targets for gender or other diversity representation in part due to the need to consider a balance of criteria for each individual appointment.

The composition of our Board and senior management is shaped by the selection criteria established by the GCN Committee. This is achieved by, among other things, ensuring that diversity considerations are taken into account in Board vacancies and senior management, monitoring the level of female representation on our Board and in senior management positions, continuing to broaden recruiting efforts to attract and interview qualified female candidates, and committing to retention and training to ensure that our most talented employees are promoted from within our organization.

DISCLOSURE POLICY

The Board has adopted a Disclosure Policy to deal with the timely dissemination of all material information. The Disclosure Policy, which will be reviewed annually, establishes consistent guidance for determining what information is material and how it is to be disclosed to avoid selective disclosure and to ensure wide dissemination. The Board, directly and through its committees, reviews and approves the contents of major disclosure documents, including annual and interim consolidated financial statements, prospectuses, the annual information form, management's discussion and analysis and the management information circular. The Company seeks to communicate to its Shareholders through these documents as well as by means of news releases, its website and investor relations calls and meetings.

Disclosure Committee

A Disclosure Committee comprised of senior management of the Company oversees the Company's disclosure process as outlined in the Disclosure Policy. The Disclosure Committee's mandate includes ensuring that effective controls and procedures are in place to allow the Company to satisfy all of its continuous disclosure obligations, including certification requirements. The Disclosure Committee is also responsible for ensuring that the policies and procedures contained in the Disclosure Policy are in compliance with regulatory requirements. Our Audit Committee is responsible for reviewing our disclosure relating to our financial reporting.

DIRECTOR COMPENSATION

DIRECTOR FEES

Our director compensation program is designed to attract and retain the most qualified individuals to serve on our Board. Our Board, on the recommendation of the GCN Committee, is responsible for reviewing and approving any changes to the directors' compensation arrangements. In consideration for serving on our Board, each director, other than a director who is a Roots employee or a director nominee of Searchlight who is a partner, principal, member of, or employee of Searchlight (each, an "**Excluded Director**"), was entitled to be compensated during Fiscal 2017 as indicated below:

Type of Fee			Amount
Board Retainer	Chair	$	Nil
	Board Member	$	100,000
	Lead Director	$	15,000
Committee Retainer	Audit Committee Chair	$	15,000
	Governance, Compensation and Nominating Committee Chair	$	Nil
	Audit Committee Membership	$	5,000
	Governance, Compensation and Nominating Committee Membership	$	4,000
Meeting Fees	Board / Committee Meeting	$	Nil

All directors are also entitled to be reimbursed for their reasonable out-of-pocket expenses incurred while serving as directors.

Director Deferred Share Unit Plan

We have established a Director Deferred Share Unit Plan (the "**DSU Plan**") which allows our directors, other than Excluded Directors, to elect to take all or a portion of their annual Board retainer in the form of DSUs. Each such director wishing to make such an election is required to elect to receive all or a portion of his or her annual Board retainer in DSUs no later than the end of the calendar year preceding the year in which such election is to apply. Participation by the eligible directors in the DSU Plan is entirely voluntary.

A DSU is a unit, equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Company, to an account in the name of the director. When dividends (other than share dividends) are paid on Shares, additional DSUs will automatically be granted to each director who holds DSUs on the record date for such dividends. Following the end of an eligible director's tenure as a member of the Board, the director will receive a payment in cash equal to the fair market value of the Shares represented by his or her DSUs on the director's elected redemption date. Each director's elected redemption date will not be earlier than the date the director's tenure as a member of the Board ceases and will not be later than December 15th of the year following the year in which the director's tenure as a member of the Board ceases.

Certain directors elected to receive board and committee fees in the form of DSUs in respect of fiscal 2018.

DIRECTOR SHARE OWNERSHIP GUIDELINES

We have established director share ownership guidelines for directors (other than Excluded Directors) to further align the interests of such directors with those of our Shareholders. The ownership guidelines establish minimum equity ownership levels for each of our directors, other than Excluded Directors, based on a multiple of their annual Board retainer. Such directors will be expected to meet the prescribed ownership levels within five years of the later of (i) completion of the IPO and (ii) the date of their appointment to the Board. Shares and the value of DSUs and other equity-based awards (including RSUs granted before closing of the IPO) will be included in determining an individual's equity ownership value. The ownership guideline for the directors, other than the Excluded Directors, is 3.0x their Board retainer, which currently equates to $300,000. Each director that is subject to the ownership guidelines is encouraged to elect to receive a portion of their Board retainer in the form of DSUs until such ownership guidelines have been met.

DIRECTORS' HEDGING POLICY

Our insider trading policy prohibits all directors of Roots from selling "short" or selling "call options" on any of our securities and from purchasing financial instruments, such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in the market value of equity securities granted to such directors as compensation or of any other securities of Roots held directly or indirectly by such person.

DIRECTOR COMPENSATION TABLE

The following table sets out the compensation that was earned by, paid to, or awarded to directors (other than Excluded Directors) during Fiscal 2017 under the compensation arrangements described above. Jim Gabel, Erol Uzumeri and Eric Zinterhofer do not receive any compensation for serving as a director of Roots.

Name	Fees Earned	Share-Based Awards	Option-Based Awards	Non-Equity Incentive Plan Compensation	All Other Compensation	Total	% of Fees Earned taken in DSUs[1]
Gregory David[2]	$26,000	—	—	—	—	$26,000	N/A
Dale H. Lastman[2]	$29,750	—	—	—	—	$29,750	N/A
Richard P. Mavrinac[2]	$28,750	—	—	—	—	$28,750	N/A
Joel Teitelbaum	$1,250[3]	$100,000[4]	—	—	—	$101,250	N/A
					Total:	$185,750	

Notes:

(1) Directors are eligible to elect to take up to 100% of their fees earned in DSUs commencing in fiscal 2018. Dale H. Lastman, Richard P. Mavrinac and Joel Teitelbaum elected to receive 100% of their director fees in the form of DSUs in respect of fiscal 2018.

(2) Each of Gregory David, Dale H. Lastman and Richard P. Mavrinac were appointed to the Board on October 25, 2017 in connection with the IPO.

(3) Represents a portion of Joel Teitelbaum's retainer earned in respect of Audit Committee meetings attended in Fiscal 2017.

(4) Reflects the grant date fair value of the RSUs granted to Joel Teitelbaum in connection with his appointment to the Board at the beginning of Fiscal 2017 based on the fair market value of the Shares underlying the RSUs on the date of the grant.

Outstanding Share-Based Awards

The following table sets out information on the outstanding DSUs and RSUs held by non-management directors as of February 3, 2018.

Name[1]	Share-Based Awards		
	Number of Share-Based Awards That Have Not Vested	Market or Payout Value of Share-Based Awards That Have Not Vested	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed[3]
Gregory David	—	—	—
Dale H. Lastman	—	—	—
Richard P. Mavrinac	—	—	—
Joel Teitelbaum[2]	—	—	$185,906

Notes:

(1) Jim Gabel, Erol Uzumeri and Eric Zinterhofer are Excluded Directors and do not receive any share-based compensation in their capacities as members of the Board. For information regarding Jim Gabel's share-based awards in his capacity as President and Chief Executive Officer of Roots, see "Executive Compensation".

(2) Joel Teitelbaum received a grant of RSUs under the Legacy Equity Incentive Plan with a grant date fair value of $100,000 in connection with his appointment to the Board.

(3) For the purposes of attributing a market value to the Shares underlying the share-based awards, being DSUs and RSUs, the value is calculated based on the closing price per Share of $11.63 on February 2, 2018, the last trading day of Fiscal 2017. This amount may not represent the actual value of the share-based awards upon distribution, as the value of the Shares underlying these awards may be of greater or lesser value on vesting based on the market value of the Shares at that time.

Incentive Plan Awards – Value Vested or Earned During the Year

Name	Share-Based Awards – Value Vested During the Year[1]	Non-Equity Incentive Plan Compensation – Value Earned During the Year
Gregory David	—	—
Dale H. Lastman	—	—
Richard P. Mavrinac	—	—
Joel Teitelbaum[1]	$180,870	—

Note:

(1) For the RSUs, amounts are calculated based on the number of RSUs that vested during the year multiplied by (i) $12.00 per Share for RSUs that vested prior to October 25, 2017 (the date of our IPO) and by (ii) the closing price per Share on the TSX on the applicable vesting date for RSUs that vested after October 25, 2017. This amount

may not represent the actual value of the share-based awards upon distribution, as the value of the Shares underlying these awards may be of greater or lesser value on vesting based on the market value of the Shares at that time. DSUs granted under the DSU Plan vest immediately although holders thereof are not entitled to receive a payment in respect of the value of their DSUs until their tenure on the Board ceases.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

INTRODUCTION

In our 45 year history as a company, Fiscal 2017 was a milestone year for Roots with the completion of our IPO and listing on the TSX.

In preparation for the IPO, the Company focused on investing and building on its foundation for success including in recruiting our Chief Executive Officer, our Chief Financial Officer, our Chief Merchandising Officer and our Vice President, Retail Operations. These executive officers were selected to execute on our growth strategy. In Fiscal 2016, in connection with their hiring, these executive officers were granted stock options under our amended and restated equity incentive plan (the "**Legacy Equity Incentive Plan**"). In Fiscal 2017, a broader group of senior employees, including our Vice President, e-Commerce and Customer Experience, were granted stock options under our employee option plan (the "**Legacy Employee Option Plan**") and the Legacy Equity Incentive Plan. In connection with the IPO, the GCN Committee was created to execute on its mandate, including overseeing executive compensation.

NAVIGATING THE CD&A

In 2018, the Company hired Willis Towers Watson to assist with the development of a compensation framework for fiscal 2018 and beyond. In early fiscal 2018, it was determined that a mix of RSUs and stock options would be awarded to select executive officers and members of the senior management team under our omnibus equity incentive plan (the "**Omnibus Plan**").

In our Compensation Discussion & Analysis ("**CD&A**"), we describe the compensation policies and practices that the Board has adopted for our Named Executive Officers ("**NEOs**"), along with details of the governance processes that we follow. The Board is confident that the policies and practices in place support our overarching strategic business and financial objectives, while enabling us to attract, retain and motivate our executive team as we embark on this next chapter of our journey.

NAMED EXECUTIVE OFFICERS FOR FISCAL 2017

Our CD&A describes the compensation policies and practices in place for our NEOs who, in respect of Fiscal 2017, were the following individuals:

Named Executive Officer	Title	Date of Hire
Jim Gabel	President and Chief Executive Officer	February 2016
Jim Rudyk	Chief Financial Officer	January 2016
Priscilla Shum	Chief Merchandising Officer	April 2016
James Connell	Vice President, e-Commerce and Customer Experience	December 1997
Almira Cuizon	Vice President, Retail Operations	December 2016

Compensation Overview

Our Compensation Philosophy

We operate in a highly competitive and evolving market. In order to continue to be successful in achieving our strategic business and financial objectives, we must attract, retain and motivate a highly talented executive team. This is reflected in the design of our executive compensation program.

	Objective	How we achieve this through our executive compensation program
1	**Attract and retain** talented, high-performing and experienced executive officers, whose knowledge, skills and performance are critical to our success	• Deliver market competitive levels of total compensation
2	Motivate our executive team to **achieve our strategic business and financial objectives**	• Deliver a meaningful proportion of total compensation in the form of variable pay • Tie the receipt of variable pay to successful performance in areas that directly align with our strategic business and financial objectives
3	**Align the interests** of our executive officers with those of our Shareholders	• Deliver a meaningful proportion of total compensation in the form of long-term equity-based compensation • Tie the receipt of long-term equity based compensation to successful performance in areas that directly align with our strategic business and financial objectives • Operate governance policies, such as executive share ownership guidelines, that encourage our executives to think like shareholders
4	Encourage **appropriate risk-taking** within the context of our strategic business and financial objectives	• Set realistic yet stretch performance goals under our variable compensation programs • The Board has adopted a clawback policy that applies to incentive awards granted to executive officers • Maximum annual bonus opportunities are capped to discourage decisions resulting in short-term benefits at the expense of long-term success of the Company

While we have determined that our current executive officer compensation program is effective at attracting and retaining executive officer talent, we evaluate our compensation philosophy and program on an ongoing basis. This, along with an annual review of the compensation for our executive officers, ensures that we are providing competitive compensation opportunities. As part of this review process, we will be guided by the philosophy and objectives outlined above, as well as other factors which may become relevant, such as the cost to us if we were required to find a replacement for a key employee.

Overview of our Compensation Program

The compensation program for our executive officers is comprised of three core elements, in addition to modest benefits and perquisites. Each element of compensation serves a specific purpose as outlined on the following page.

Further details on each element, along with details of the decisions made by the Board in respect of Fiscal 2017 executive compensation, are set out in "Executive Compensation – Compensation in Fiscal 2017".

Compensation Element	Key Features	Changes for Fiscal 2018
Base salary	• Fixed compensation that reflects scope, experience and market rates • Reviewed annually or on promotion or a significant change in responsibility • Increases take account of individual performance and position against market	• Increases range from 2% - 5%
Annual incentive	• Motivates our executive officers to achieve our strategic business and financial objectives • Target opportunity of 40% – 75% of base salary • Threshold to maximum opportunity of 0.5x – 1.5x target • Payout based on a combination of revenue and Adjusted EBITDA[1] and, for NEOs other than the Chief Executive Officer and Chief Financial Officer, individual performance • If Adjusted EBITDA performance falls below 85% of target, any bonus payouts will be at the discretion of the Board, including a potential for zero • Paid in cash • Awards are subject to clawback provisions	• Increase Chief Executive Officer target opportunity from 70% to 80% of base salary • Reduce threshold opportunity to 50% of target, with corresponding reduction in performance goal to align with standard industry practices • Adopt single structure for our leadership team based on a combination of revenue/sales (33%), Adjusted EBITDA (33%) and individual performance (33%)

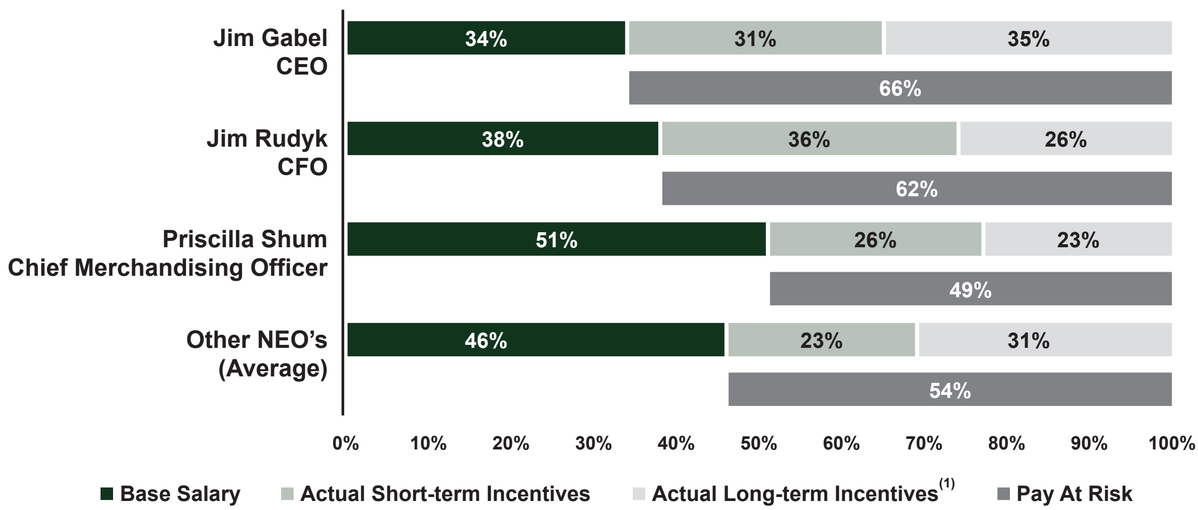
Long-term incentives
 	
Prior to IPO:
• Stock Options
 	
Post IPO:
• Stock Options
• RSUs
	• Motivates our executive officers to achieve our strategic business and financial objectives
	• Align executive officer interests with the long-term interests of our Shareholders
	• In Fiscal 2016, stock options were granted under the Legacy Equity Incentive Plan and vest in part over five years and in part based on the achievement of financial performance hurdles
	• In Fiscal 2017, awards were made to our executive officers solely in the form of stock options
	  ▪ Stock options granted under the Legacy Employee Option Plan vest 1/3 over three years
	  ▪ Options granted under the Omnibus Plan vest in part over three years and in part based on the achievement of certain financial performance hurdles
	• Awards are subject to clawback provisions
		• In fiscal 2018, awards have been granted to our executive officers in a combination of stock options (50%) and RSUs (50%)
		• Awards will vest 50% at the end of years two and three

Note:

(1) Adjusted EBITDA is a non-IFRS measure. Please see our Management's Discussion and Analysis for Fiscal 2017 for a description of Adjusted EBITDA and a reconciliation to its most directly comparable measure calculated in accordance with IFRS. See "Additional Information".

Fixed versus Variable Compensation

Our NEOs' total compensation is comprised of a mix of fixed and variable compensation. Variable compensation incentivizes our executive officers to deliver and oversee our performance in light of the Company's strategic business and financial objectives. Compensation mix differs by level, with variable pay representing over 60% of total compensation for the Chief Executive Officer and the Chief Financial Officer, 50% of the Chief Merchandising Officer's total compensation, and just over half, on average, of the other two NEOs' total compensation.



Note:

(1) Long-term Incentives value currently reflects the Black-Scholes value associated with the stock options granted in Fiscal 2017, consistent with the Summary Compensation Table. Beginning in fiscal 2018, a phased in approach will be used to introduce greater emphasis on the value of the long-term incentive grants.

COMPENSATION GOVERNANCE

General

In connection with the IPO, our Board adopted a written charter for the GCN Committee, setting out its responsibilities for administering our compensation programs and reviewing and making recommendations to our Board concerning the level and nature of the compensation payable to our directors and executive officers. See "Our Approach to Corporate Governance – Committees of our Board – Governance, Compensation and Nominating Committee" for further details.

In this role, the GCN Committee receives input from various groups in order to ensure that it can be effective in making fully-informed decisions.

The GCN Committee, chaired by Erol Uzumeri, comprises three directors who are collectively responsible for assisting the Board in fulfilling its governance and supervisory responsibilities, and overseeing our human resources, succession planning, and compensation policies, processes and practices.

The GCN Committee's oversight includes reviewing objectives, evaluating performance and ensuring that total compensation paid to our executive officers, personnel who report directly to our Chief Executive Officer and various other key officers and managers is fair, reasonable and consistent with the objectives and philosophy of our compensation program. The GCN Committee is also responsible for ensuring that our compensation policies and practices provide an appropriate balance of risk and reward consistent with our risk profile.

The GCN Committee will meet regularly to review the executive officer compensation program and make recommendations for any changes to the Board, as appropriate. See also "Our Approach to Corporate Governance – Committees of our Board – Governance, Compensation and Nominating Committee."

The Chief Executive Officer, with the support of our Vice President, Human Resources, is responsible for developing compensation recommendations for the other NEOs which are presented at least annually to the GCN Committee for review. These compensation recommendations are based on reviews conducted during the fiscal year by the Chief Executive Officer, as well as a self-assessment form completed by each NEO. The reviews and self-assessment were based on five core leadership competencies as determined by the Board, together with personal goals established by each NEO at the beginning of the fiscal year.

While no independent compensation consultants were retained in respect of Fiscal 2017, we enlisted the services of Willis Towers Watson in fiscal 2018 to help design an executive compensation framework that reflects our transition to a public company. Considerations for the compensation plan commencing in respect of fiscal 2018 included the following principles:

- **Performance Oriented and Strategically Focused** – Aligned with the successful execution of the five growth strategies as articulated in our current Annual Information Form (see "Additional Information").
- **One Team** – Executing on these strategies requires significant teamwork and a joint focus on common goals. Sharing in the team's success is a key tenet of our reward programs at all levels.
- **Cascade What Matters** – Enable a cascade of the program and form a clear platform for communication to align organizational priorities among all employees to our strategic business and financial objectives. At all levels, employees set objectives and adapt priorities to align with our growth strategies.
- **Flexible** – Pay for performance programs reward ongoing participants and differentiates high performers throughout the organization.
- **Retention** – Right balance of rewards and vehicles to attract and retain talent.
- **Simple** – Programs are simple to understand in order to create linkages to strategy and performance.

Throughout this section, we identify various changes that we will be implementing to certain components of our compensation framework in fiscal 2018 as we continue our transition to a public company.

RISK AND EXECUTIVE COMPENSATION

In reviewing our compensation policies and practices each year, the GCN Committee will seek to ensure that our executive compensation program provides an appropriate balance of risk and reward consistent with the risk profile of the Company. The GCN Committee will also seek to ensure that the Company's compensation practices do not encourage excessive risk-taking behaviour by our executive team.

There are a number of features of our executive compensation program that we believe help ensure an appropriate level of risk taking:

- Effective goal-setting process designed around realistic mid-term goals that are challenging but not excessive;

- The use of at-risk pay and share ownership guidelines which encourage our executive officers to think like Shareholders and make decisions that drive the long-term sustainable success of Roots, consistent with our strategic business and financial objectives;

- Implementation of a clawback policy which allows for recoupment of incentive awards granted to executive officers;

- Maximum annual bonus opportunities are capped to ensure that short-term risks are aligned with our risk profile and long-term value creation; and

- Our anti-hedging policy that prohibits equity participants from entering into certain types of hedging or equity monetization transactions, where individuals benefit from volatility (and potentially drops) in the price of our Shares.

The Board's most recent review of the post-IPO compensation framework determined that we have a responsible and effective approach to risk management and compensation governance, and concluded that all compensation plans are well balanced and do not encourage excessive risk-taking behaviour. The risk assessment will be conducted on a regular basis.

GOVERNANCE POLICIES

The Board has established a number of policies which we believe are in the best interests of our Shareholders. The policies are also widely observed in the market among other listed companies.

Share Ownership Guidelines

Our executive officers, including the NEOs, are expected to maintain a significant equity investment in Roots to align their interests with those of our Shareholders, and mitigate against the likelihood of inappropriate risk-taking.

The share ownership guidelines define a minimum equity ownership level based on a multiple of base salary in accordance with the executive officer's level of seniority. Executive officers are expected to meet the prescribed ownership levels within five years of October 25, 2017 (the closing of our IPO), or the date of their appointment to an executive position, whichever is later.

In assessing progress towards the guideline, Shares that are beneficially owned along with the value of RSUs will be counted.

The following table shows the share ownership guideline for the NEOs as at May 7, 2018:

Level	Named Executive Officer	Share Ownership Guideline (% salary)	Date at which Share Ownership Guideline is to be met	Has Share Ownership Guideline been met?
Chief Executive Officer	Jim Gabel	400%	October 25, 2022	In Progress
Chief Financial Officer	Jim Rudyk	200%	October 25, 2022	Yes
Chief Merchandising Officer	Priscilla Shum	150%	October 25, 2022	In Progress
Other NEOs	James Connell	100%	October 25, 2022	In Progress
	Almira Cuizon	100%	October 25, 2022	In Progress

Trading Restrictions

In connection with the IPO, the Board adopted a comprehensive insider trading policy which applies to all of our directors and employees, including our executive officers. The policy:

- prohibits trading in our securities while in possession of material undisclosed information about the Company; and
- prohibits individuals from entering into certain types of hedging transactions involving the securities of the Company, such as short sales, puts and calls.

In addition, our executive officers, including the NEOs, are only permitted to trade in the Company's securities, including the exercise of stock options, during prescribed trading windows.

Clawback Policy

In connection with the IPO, the Board adopted a clawback policy which applies to incentive awards made to executive officers, including the NEOs.

The Board has defined a number of reasons for which it may pursue a clawback of an executive officer's incentive awards. Under our clawback policy, a clawback may be triggered if an executive officer:

- engages in misconduct that results in the need to restate our financial statements, where the individual received an award calculated on the achievement of those financial statements and the award received would have been lower had the financial statements been properly reported;
- commits a material breach of our Code of Conduct;
- engages in gross negligence, fraud, theft, dishonesty or willful misconduct; or
- is convicted of a criminal offence or certain statutory offences.

The clawback policy requires that when a clawback is triggered, the executive officer must repay all of the incentive payments received over a specified period preceding the triggering event. The GCN Committee will continue to keep this policy under review as part of its regular risk review.

USE OF MARKET DATA

We operate in a highly competitive and evolving market. As a result, it is important to regularly assess the market competitiveness of our executive compensation program in order to attract and retain a highly talented executive team. The compensation levels, compensation mix, incentive design and pay range opportunities will be reviewed annually by the GCN Committee in order to ensure alignment with market practice and our overall business strategy.

When assessing compensation levels, multiple reference points are used. The primary reference for the NEOs is our *North American Proxy Peer Group*, though a specific percentile is not targeted. Secondary reference points include industry specific data and Canadian and United States retail data obtained from various surveys. There are many factors that are taken into account when determining compensation, including:

- each executive officer's knowledge, skills and performance;
- motivating executive officers to achieve our strategic business and financial objectives;
- aligning the interest of the executive officers to those of our Shareholders; and
- providing incentives that encourage appropriate levels of risk-taking.

As a result of the limited number of autonomous Canadian public companies, a broader *North American Proxy Peer Group* was developed. This peer group is comprised of two-thirds Canadian and one-third U.S. retail companies, with similar financial scope and a strong consumer brand. The following criteria were applied when selecting this peer group:

- **Geography:** Canada and the United States
- **Ownership Structure:** Publicly-traded
- **Industry:** Similar retail / consumer-related industries (e.g. textiles, apparel & luxury goods, specialty stores, apparel retail)
- **Similar financial scope:** revenue, profitability and market capitalization
- **Strong consumer brand**
- **Companies with retail stores who sell their own brand**
- **North American / international operations**

The following companies are included in the *North American Proxy Peer Group*:

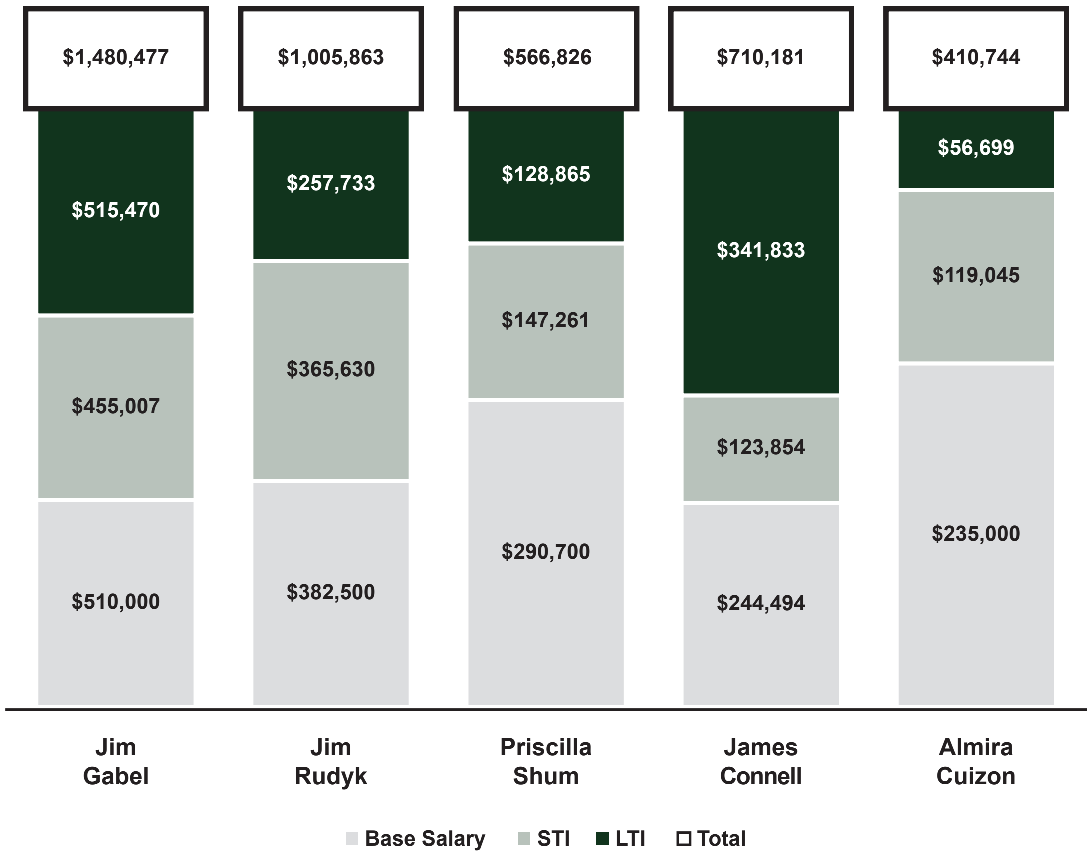
NORTH AMERICAN PROXY PEER GROUP		
Canadian Peers (n = 7)	Aritzia Inc.	Lululemon Athletica Inc.
	Canada Goose Holdings Inc.	Reitmans (Canada) Ltd.
	DAVIDs TEA Inc.	Sleep Country Canada Holdings Inc.
	Indigo Books & Music Inc.	
U.S. Peers (n = 4)	Duluth Holdings Inc.	Perry Ellis International, Inc.
	J.Jill, Inc.	Tilly's, Inc.

We also reviewed industry specific data and Canadian and United States retail data obtained from various surveys.

COMPENSATION IN FISCAL 2017

Overview

The actual total compensation for NEOs in Fiscal 2017 is set out in the chart below:



In the following sections, we provide additional details on each of the elements of compensation.

Base Salary

Base salary is provided as a fixed source of compensation for our executive officers, determined on an individual basis taking into account the scope of responsibilities and prior experience. Base salaries are reviewed annually or as warranted by a change in role, and may be increased based on an executive officer's success in meeting or exceeding individual objectives, as well as to maintain market competitiveness. In assessing market competitiveness, the GCN Committee will consider the compensation data of our peer reference groups.

Base salaries in respect of Fiscal 2017 were as follows:

Named Executive Officer	Fiscal 2017 Base Salary
Jim Gabel	$510,000
Jim Rudyk	$382,500
Priscilla Shum	$290,700
James Connell	$244,494
Almira Cuizon	$235,000

In April 2018, the GCN Committee, having reviewed benchmark data within our compensation peer group and the Company's performance in Fiscal 2017, recommended, and the Board approved, the following base salary increases for fiscal 2018 for the NEOs, ranging from 2% - 5%, aligned with general market movement and modification in roles and responsibilities over the past year.

Named Executive Officer	Base Salary Increase	Fiscal 2018 Base Salary
Jim Gabel	3.5%	$527,850
Jim Rudyk	2.0%	$390,660
Priscilla Shum	2.0%	$296,514
James Connell	3.5%	$253,051
Almira Cuizon	5.0%	$246,750

Annual Bonus

The annual bonus program is a performance bonus, paid in cash, which is designed to motivate and reward NEOs for progress against our strategic business and financial objectives. In Fiscal 2017, target bonus opportunities for the NEOs were as follows:

Named Executive Officer	Fiscal 2017 Target Bonus (% base salary)
Jim Gabel	70%
Jim Rudyk	75%
Priscilla Shum	40%
James Connell	40%
Almira Cuizon	40%

The maximum bonus opportunity was capped at 1.5x the target opportunity and threshold was 0.75x the target opportunity for all executive officers in Fiscal 2017.

KEY FEATURES

- Target: 40% - 75% of base salary
- Maximum: 150% of target
- Measures: Revenue, Adjusted EBITDA and individual performance (for some)
- Adjusted EBITDA circuit breaker
- Paid in cash
- Subject to clawback

CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER

REVENUE (50%)

ADJUSTED EBITDA* (50%)

OTHER EXECUTIVES

REVENUE (33%)

ADJUSTED EBITDA* (33%)

INDIVIDUAL (33%)

In selecting performance metrics, the Board takes account of direct and indirect alignment with our strategic business and financial objectives, along with an individual's ability to influence them.

While the Chief Executive Officer's and Chief Financial Officer's Fiscal 2017 bonuses were wholly contingent on financial performance (as measured by revenue and Adjusted EBITDA), the other executive officers' bonuses contained an element of individual performance. This enables the Board to tie a portion of their bonus to successful progress in areas of strategic importance for which they are accountable.

*If Adjusted EBITDA is < 85% of target, there are no payments made in respect of the Adjusted EBITDA or revenue performance metrics.

Financial Performance

Targets and ranges for the revenue and Adjusted EBITDA metrics are established at the beginning of the fiscal year. For each level of performance, there is an established level of payout, expressed as a percentage of the target bonus opportunity. Scores are calculated on a straight-line basis when performance is positioned between two goals.

	Threshold	Target	Stretch	Maximum
Financial Performance (% performance target)	92.5%	100%	105%	108%
Score (Applied to target bonus)	0.75x	1.00x	1.25x	1.5x

Target Revenue for Fiscal 2017 was $323M. Revenue for Fiscal 2017 was $326M. This resulted in an associated score of 1.01.

Target Adjusted EBITDA for Fiscal 2017 was $45.8M. Adjusted EBITDA for Fiscal 2017 was $52.6M. This resulted in an associated score of 150%.

Individual Performance

For the executive officers other than the Chief Executive Officer and the Chief Financial Officer, the Board established individual performance goals. The expectations and outcomes in respect of each relevant NEO are summarized below.

	Key Achievements	Individual Performance Score
Priscilla Shum	• Implemented United Brand Range • Optimized efficiency of store retail footprint • Reduced stock keeping units base by 27% to streamline operations • Enhanced sourcing strategy and reduced vendor base	1.3x
James Connell	• Successfully piloted VIP/Loyalty program • Redesigned and improved www.roots.com • Accelerated sales through Canada 150 marketing initiative	1.3x
Almira Cuizon	• Led the transition to a performance store culture • Drove enhanced productivity and efficiency through the implementation of new point of sale system and processes • Developed programs relating to succession planning and regional management	1.3x

Fiscal 2017 Payouts

As a result of the performance described above, the following bonuses were earned in respect of Fiscal 2017.

Named Executive Officer	Target Bonus (*% salary*)	Revenue Score (*weight x score)*	Adjusted EBITDA Score (*weight x score)*	Individual Score (*weight x score*)	Actual Bonus
Jim Gabel	70%	50% x 1.01x	50% x 1.5x	N/A	$455,007
Jim Rudyk	75%	50% x 1.01x	50% x 1.5x	N/A	$365,630
Priscilla Shum	40%	33% x 1.01x	33% x 1.5x	33% x 1.3x	$147,261
James Connell	40%	33% x 1.01x	33% x 1.5x	33% x 1.3x	$123,854
Almira Cuizon	40%	33% x 1.01x	33% x 1.5x	33% x1.3x	$119,045

Changes for Fiscal 2018

Following a review and recommendation by the GCN Committee, a number of changes have been approved by the Board in respect of the annual bonus plan design for fiscal 2018. These changes take account of both our compensation philosophy and a review of practices within our compensation peer group, and are as follows:

- The Chief Executive Officer's target bonus has been increased from 70% to 80% of base salary;
- All executive officers will move to a single bonus structure based on revenue (33%), Adjusted EBITDA (33%) and individual performance (33%); and
- Threshold performance will be reduced from 92.5% to 85% of target, with a corresponding reduction in the associated payout.

LONG-TERM INCENTIVE PLANS

Fiscal 2017 Awards

In Fiscal 2017, Jim Gabel, Jim Rudyk, Priscilla Shum and Almira Cuizon received awards of Options under the Omnibus Plan. James Connell was granted stock options earlier in Fiscal 2017 under the Legacy Employee Option Plan as set forth in the table below.

Prior to the Fiscal 2017 grants, Jim Gabel, Jim Rudyk, Priscilla Shum and Almira Cuizon were granted stock options in Fiscal 2016 under the Legacy Equity Incentive Plan in connection with the commencement of their employment.

Named Executive Officer	Fiscal 2017 Stock Option Grants
Jim Gabel	$515,470
Jim Rudyk	$257,733
Priscilla Shum	$128,865
James Connell	$341,833
Almira Cuizon	$56,699

See "Summary Compensation Table" for further information with respect to these stock option grants.

Changes for Fiscal 2018

Commencing in fiscal 2018, long-term incentive grants are expected to be made annually with target awards based on a percentage of the executive officer's base salary.

Named Executive Officer	Fiscal 2018 LTI Award (% salary)
Jim Gabel	30%
Jim Rudyk	20%
Priscilla Shum	20%
James Connell	20%
Almira Cuizon	20%

KEY FEATURES

- Awards made in fiscal 2018 are in the form of Options and RSUs
- Awards vest 50% at the end of years two and three
- Subject to clawback

Benefit Plans

We provide our executive officers, including the NEOs, with life, disability, health and dental insurance programs on the same basis as other employees as well as paid time off. We offer these benefits consistent with local market practice.

Perquisites

We generally do not offer significant perquisites as part of our compensation program, unless otherwise described below under "– Employment Agreements, Termination and Change of Control Benefits".

SUMMARY COMPENSATION TABLE

The table below shows the compensation paid to the NEOs in respect of the Company's most recently completed financial year in accordance with applicable securities laws. As the Company became a reporting issuer during Fiscal 2017, compensation information for prior financial years is not presented.

Name and Principal Position	Fiscal Year	Salary	Share-Based Awards	Option-Based Awards(1)	Non-Equity Incentive Plan Compensation: Annual Incentive Plans(2)	Non-Equity Incentive Plan Compensation: Long-Term Incentive Plans	All Other Compensation(3)	Total Compensation
Jim Gabel *President & Chief Executive Officer*	2017	$510,000	—	$515,470	$455,007	—	—	$1,480,477
Jim Rudyk *Chief Financial Officer*	2017	$382,500	—	$257,733	$365,630	—	—	$1,005,863
Priscilla Shum *Chief Merchandising Officer*	2017	$290,700	—	$128,865	$147,261	—	—	$566,826
James Connell *Vice President, e-Commerce and Customer Experience*	2017	$244,494	—	$341,833	$123,854	—	—	$710,181
Almira Cuizon *Vice President, Retail Operations*	2017	$235,000	—	$56,699	$119,045	—	—	$410,744

Notes:

(1) Reflects the grant date fair value of Options that were granted in Fiscal 2017 (determined in accordance with the Black-Scholes valuation model). The Black-Scholes valuation used the following assumptions: expected volatility (31% - 40%); risk-free interest rate (1.36% - 2.08%); and expected term (4.5 years - 10.5 years). For additional details, see our consolidated financial statements for Fiscal 2017. See "Additional Information".

(2) Amounts reflect annual bonuses that were paid to NEOs in respect of Fiscal 2017.

(3) None of the NEOs are entitled to perquisites or other personal benefits which, in the aggregate, are worth over $50,000 or over 10% of their base salary.

ADDITIONAL INFORMATION

Omnibus Equity Incentive Plan

In connection with the IPO, we established the Omnibus Plan. The Omnibus Plan provides eligible participants with compensation opportunities that encourages ownership of our Shares, enhances our ability to attract, retain and motivate our executive officers and other key management and incentivizes them to increase the long term growth and equity value of our Company in alignment with the interests of our Shareholders. The material features of the Omnibus Plan are summarized below.

Administration and Eligibility

The Omnibus Plan is administered by our Board, provided that the Board may, in its discretion, delegate its administrative powers under the Omnibus Plan to the GCN Committee. Employees of the Company and its designated affiliates are eligible to participate in the Omnibus Plan. Non-employee directors are not eligible to participate in the Omnibus Plan.

Shares Subject to the Omnibus Plan and Participation Limits

The maximum number of Shares that are available for issuance under the Omnibus Plan is 1,679,220, which represents approximately 4% of the issued and outstanding Shares as at February 3, 2018. Shares underlying Options that have expired or have been cancelled will become available for subsequent issuance under the Omnibus Plan. Shares underlying RSUs, PSUs and Dividend Share Units (as defined below) that have expired or have been cancelled or settled in cash or without issuing Shares from treasury will become available for subsequent issuance under the Omnibus Plan. As at February 3, 2018, 300,649 Options and nil RSUs or PSUs have been granted under the Omnibus Plan, representing approximately 0.7% of the issued and outstanding Shares as of that date, and 1,378,571 Shares remain available for future issuance under the Omnibus Plan, representing approximately 3.3% of the issued and outstanding Shares as of that date.

No more than 5% of the outstanding Shares may be issued under the Omnibus Plan or pursuant to any other security-based compensation arrangements of the Company to any one person. The number of Shares that may be (i) issued to insiders of the Company within any one-year period, or (ii) issuable to insiders of the Company at any time, in each case, under the Omnibus Plan alone, or when combined with all of the Company's other security-based compensation arrangements, cannot exceed 10% of the outstanding Shares.

Options

The exercise price for Options will be determined by our Board, which may not be less than the fair market value of a Share (being the closing price of a Share on the TSX on the last trading day immediately prior to the applicable date (the "**Market Value**")) on the date the Option is granted. Options will vest in accordance with the vesting schedule established on the grant date.

Options must be exercised within a period fixed by our Board that may not exceed 10 years from the date of grant, provided that if the expiry date falls during or within 10 business days immediately following a blackout period, the expiry date will be automatically extended until 10 business days after the end of the blackout period. The Omnibus Plan also provides for earlier expiration of Options upon the occurrence of certain events, including the termination of a participant's employment.

In order to facilitate the payment of the exercise price of the Options, the Omnibus Plan has a cashless exercise feature (with a full deduction from the number of Shares available for issuance under the Omnibus Plan). The participant may elect to receive (i) an amount in cash equal to the cash proceeds realized upon the sale of the Shares underlying the Options by a securities dealer in the capital markets, minus the aggregate exercise price, any applicable withholding taxes and any transfer costs charged by the securities dealer, (ii) a number of Shares that is equal to the number of Shares underlying the unexercised Options, minus the number of Shares sold by a securities dealer in the capital markets as required to realize cash proceeds equal to the aggregate exercise price, any applicable withholding taxes and any transfer costs charged by the securities dealer, or (iii) a combination of (i) and (ii).

RSUs and PSUs

An RSU is a right to acquire a Share or a cash payment equal to the Market Value thereof that generally becomes vested, if at all, following a period of continuous employment. PSUs are similar to RSUs, but their vesting is, in whole or in part, conditioned on the attainment of specified performance metrics as may be determined by the Board.

The terms and conditions of grants of RSUs or PSUs, including the quantity, type of award, grant date, vesting conditions, vesting periods, settlement date and other terms and conditions with respect to the awards, will be set out in the participant's grant agreement.

In the case of PSUs, the performance-related vesting conditions may include financial or operational performance of the Company, total shareholder return, individual performance criteria or other criteria as determined by our Board, which will be measured over a specified period.

Subject to the achievement of the applicable vesting conditions, on the settlement date of an RSU or PSU, the Company will either (i) issue from treasury the number of Shares covered by the RSUs or PSUs and related Dividend Share Units, or (ii) deliver to the participant an amount in cash that is equal to the number of Shares underlying the RSUs or PSUs and related Dividend Share Units, minus any applicable withholding taxes, multiplied by the Market Value as at the settlement date.

Dividend Share Units

When dividends (other than share dividends) are paid on Shares, additional share units ("**Dividend Share Units**") will be automatically granted to each participant who holds RSUs or PSUs on the record date for such dividends. This treatment does not apply to Options. The number of Dividend Share Units to be granted to a participant is equal to the aggregate number of RSUs and PSUs held by the participant on the relevant record date multiplied by the amount of the dividend paid by the Company on each Share, and then divided by the Market Value of the Shares on the dividend payment date. Dividend Share Units granted to a participant will be subject to the same vesting conditions applicable to the related RSUs or PSUs.

Termination of Employment

Unless otherwise determined by our Board, upon a participant's resignation or termination of employment without cause, all rights, title and interest in awards granted to the participant under the Omnibus Plan that are unvested on the termination date will be forfeited. Options that have vested as of the termination date may be exercised until the earlier of (i) 30 days after the termination date (in the event of a resignation) or 90 days after the termination date (in the event of a termination without cause), and (ii) the expiry date of the Options, after which time all remaining vested Options will expire.

Unless otherwise determined by our Board, upon termination of a participant's employment for cause, all rights, title and interest in awards granted to the participant under the Omnibus Plan, whether vested or unvested on the termination date, will be forfeited.

Unless otherwise determined by our Board, upon a participant's termination of employment as a result of death, retirement or disability, all rights, title and interest in Options granted to the participant under the Omnibus Plan which are unvested on the date of death, retirement or disability, as applicable, will be forfeited. Options that have vested as of the date of death, retirement or disability, as applicable, may be exercised until the earlier of 12 months after the date of death, retirement or disability, as applicable, and the expiry date of the Options, after which time all Options will expire.

Unless otherwise determined by our Board, upon a participant's termination of employment as a result of death, retirement or disability, a pro rata portion of the participant's unvested RSUs and PSUs will vest and be settled (assuming target performance was achieved in respect of PSUs).

Change of Control

Unless otherwise determined by our Board, if a participant's employment is terminated without cause or the participant resigns with good reason, in each case, within 12 months following a change of control of the Company, all RSUs and PSUs granted to the participant under the Omnibus Plan will immediately vest and be settled (based on the performance achieved up to the termination date in respect of PSUs) and all Options will immediately vest and be exercisable until the earlier of 12 months after the termination date and the expiry date of the Options, after which time all Options will expire.

In the event of a change of control of the Company, our Board has the authority to take all necessary steps to ensure the preservation of the economic interests of the participants in, and to prevent the dilution or enlargement of, any awards granted under the Omnibus Plan, including ensuring that the Company or any entity which is or would be the successor to the Company or which may issue securities in exchange for the Shares upon the change of control will assume each outstanding award, or provide each participant with new, replacement or amended awards which will continue to vest following the change of control on similar terms and conditions as provided in the Omnibus Plan, failing which all outstanding awards will vest and be settled (having regard to the performance achieved prior to the change of control in respect of PSUs) or be exercisable, as applicable, prior to the date on which the change of control is consummated.

Adjustments

In the event of any share dividend, share split, combination or exchange of shares, merger, amalgamation, arrangement, consolidation, spin-off or other distribution (other than normal cash dividends) of the Company's assets to shareholders, or any other change in the capital of the Company affecting Shares (collectively, "**Adjustment Events**"), our Board will make such proportionate adjustments, if any, as it deems appropriate to reflect such change with respect to the number or kind of securities subject to outstanding awards under the Omnibus Plan, the exercise price of outstanding Options and the number of RSUs or PSUs granted to a participant, in order to preserve the proportion of the rights and obligations of the participants under the Omnibus Plan.

Amendment or Discontinuance

Our Board may amend, suspend or terminate the Omnibus Plan, or any portion thereof, subject to applicable law and stock exchange rules that requires the approval of shareholders or any governmental or regulatory body, provided that no such action may be taken that adversely alters or impairs any rights of a participant under any award previously granted by the Company without the consent of such affected participant.

Notwithstanding the above, our Board will be able to make certain amendments to the Omnibus Plan or to any award outstanding thereunder without seeking shareholder approval, including housekeeping amendments, amendments to comply with applicable law or stock exchange rules, amendments to reduce or restrict participation or amendments to the vesting, termination or early termination provisions of the Omnibus Plan. However, the following types of amendments will not be able to be made without obtaining shareholder approval:

- increasing the number of Shares reserved for issuance under the Omnibus Plan;
- increasing the length of the period after a blackout period during which Options may be exercised;
- permitting the participation of non-employee directors in the Omnibus Plan;
- removing or exceeding the insider participation limit;
- reducing the exercise price of an Option, except pursuant to an Adjustment Event;
- extending the expiry date of an award, except for an automatic extension of an award that expires during or shortly following a blackout period;
- permitting awards to be transferred or assigned other than for normal estate settlement purposes; or
- amending the amendment provision under the Omnibus Plan.

Assignment

Except as required by law, the rights of a participant under the Omnibus Plan are not transferable or assignable.

Legacy Incentive Plans

Legacy Equity Incentive Plan

Our Legacy Equity Incentive Plan is a part of a legacy compensation program pursuant to which four executive officers and one director of the Company were granted time based stock options or performance based stock options to purchase shares in the capital of the Company and/or RSUs that provide rights to acquire shares in the capital of the Company, which generally become vested subject to the attainment of time vesting conditions and the satisfaction of other conditions to vesting as determined by the plan administrator. No additional awards will be made under the Legacy Equity Incentive Plan, but stock options and RSUs previously granted under the plan remain outstanding in accordance with their terms and continue to be governed by the provisions of the Legacy Equity Incentive Plan.

As of February 3, 2018, there were outstanding under the Legacy Equity Incentive Plan stock options to purchase an aggregate of 2,515,615 Shares held by a total of four participants, which represents approximately 6% of the issued and outstanding Shares on such date, and 15,985 RSUs outstanding held by one participant, which represents approximately 0.04% of the issued and outstanding Shares on such date.

Time based stock options granted under the Legacy Equity Incentive Plan generally vest as to 20% on each anniversary of the applicable grant date. The performance based stock options granted to Jim Gabel, Jim Rudyk, Priscilla Shum and Almira Cuizon in Fiscal 2016 generally vest in connection with and are conditional on a liquidity sale, a public sale, or a liquidation (each a "**Realization Event**") and the achievement of financial performance hurdles. Additionally, if a Realization Event is a public sale and Searchlight does not dispose of all of its Shares in connection with such sale, 100% of the outstanding performance based stock options will vest and become exercisable on the date the applicable financial performance hurdles are achieved. Any stock option that is not vested on the earliest of a Realization Event (other than a public sale) and a participant's death, disability, retirement, voluntary resignation or termination by the Company (with or without cause), is forfeited and cancelled and may not be exercised. If a participant is terminated with cause, such participant's stock options, whether or not vested, will be immediately forfeited and cancelled and may not be exercised. Subject to earlier expiration in connection with a termination of employment as provided for under the Legacy Equity Incentive Plan, stock options granted thereunder have a ten-year term. In order to facilitate the payment of the exercise price of the stock options, the Legacy Equity Incentive Plan has a cashless exercise feature. In addition to exercising vested stock options for Shares under the Legacy Equity Incentive Plan, a participant may elect to receive (i) an amount in cash per stock option equal to the cash proceeds realized upon the sale of Shares by a securities dealer in the capital markets, less the applicable exercise price and any applicable withholding taxes, (ii) an aggregate number of Shares that is equal to the number of Shares underlying the vested stock options minus the number of Shares sold by a securities dealer in the capital markets as required to realize cash proceeds equal to the applicable exercise price and any applicable withholding taxes, or (iii) a combination of (i) and (ii). The transfer cost incurred to sell the Shares will be deducted from the net proceeds payable to the participant.

None of the NEOs currently have any outstanding RSUs under the Legacy Equity Incentive Plan.

Legacy Employee Option Plan

Our Legacy Employee Option Plan is a part of a legacy compensation program pursuant to which certain employees of the Company were granted stock options to purchase shares in the capital of the Company. No additional awards will be made under the Legacy Employee Option Plan, but stock options previously granted under the plan remain outstanding in accordance with their terms and continue to be governed by the provisions of the Legacy Employee Option Plan.

As of February 3, 2018, there were outstanding under the Legacy Employee Option Plan stock options to purchase an aggregate of 497,986 Shares, which represents approximately 1.2% of the issued and outstanding Shares on such date.

Stock options granted under the Legacy Employee Option Plan generally vest as to 1/3 on each of the first, second and third anniversaries of the completion of the IPO. Any stock option that is not vested as of a participant's death, disability, retirement, voluntary resignation or termination by the Company (with or without cause), is forfeited and cancelled and may not be exercised. If a participant is terminated with cause, such participant's stock options, whether or not vested, will be immediately forfeited and cancelled and may not be exercised.

Subject to earlier expiration in connection with a termination of employment as provided for under the Legacy Employee Option Plan, the stock options granted thereunder generally expire eleven years after the grant date. In addition to exercising vested stock options for Shares under the Legacy Employee Option Plan, a participant may elect to receive (i) an amount in cash per stock option equal to the cash proceeds realized upon the sale of Shares by a securities dealer in the capital markets, less the applicable exercise price and any applicable withholding taxes, (ii) an aggregate number of Shares that is equal to the number of Shares underlying the vested stock options minus the number of Shares sold by a securities dealer in the capital markets as required to realize cash proceeds equal to the applicable exercise price and any applicable withholding taxes, or (iii) a combination of (i) and (ii). The transfer cost incurred to sell the Shares will be deducted from the net proceeds payable to the participant.

Termination and Change of Control Benefits

For a summary of the termination and change of control benefits provided under each long-term incentive plan, please refer to the section "– Components of Compensation – Long-Term Incentive Plans" above. For a summary of the termination benefits provided under the NEOs' employment agreements, please refer to the section "– Employment Agreements, Termination and Change of Control Benefits" section below.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

PLAN CATEGORY	NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS AND RIGHTS(1)(2)	WEIGHTED-AVERAGE EXERCISE PRICE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS(1)(2)	NUMBER OF SECURITIES REMAINING AVAILABLE FOR FUTURE ISSUANCE(1)(2)
Equity compensation plans previously approved by Shareholders	3,330,235	$5.61	1,378,571
Equity compensation plans not previously approved by Shareholders	N/A	N/A	N/A
Total	3,330,235	$5.61	1,378,571

Notes:

(1) As at February 3, 2018.

(2) Includes (i) Options under the Omnibus Plan, and (ii) stock options and RSUs under the Legacy Equity Incentive Plan and Legacy Employee Option Plan.

EMPLOYMENT AGREEMENTS, TERMINATION AND CHANGE OF CONTROL BENEFITS

We have written employment agreements with each of our NEOs and each executive is entitled to receive compensation established by us as well as other benefits in accordance with plans available to the most senior employees. Descriptions of the employment agreements in respect of each of our NEOs is provided below.

Jim Gabel, President and Chief Executive Officer

Jim Gabel's employment agreement provides for base salary, an annual performance bonus, benefits and participation in the Legacy Equity Incentive Plan.

The employment agreement with Jim Gabel specifies the amounts or items payable, including severance, to Jim Gabel in the event that he is terminated without cause or resigns with good reason. The payment of severance to Jim Gabel is conditioned on his execution of a release of claims.

If Jim Gabel is terminated without cause or resigns with good reason, then in addition to his accrued but unpaid base salary and vacation pay up to the termination date, and benefits continuation, we will pay Jim Gabel severance equal to his annual base salary, plus his annual cash bonus incentive entitlement (if any) calculated pro rata for the period up to the termination date based on the achievement of the incentive bonus target to such date. Unless otherwise agreed between us and Jim Gabel, severance will be paid (i) as to 50% on the termination date, and (ii) as to the remaining 50%, on a regular payroll basis in equal instalments over a period of 12 months.

If Jim Gabel's employment is terminated with cause or due to his resignation, he will not be entitled to any severance, notice or payment in lieu of notice or similar payment in respect of such termination or resignation, other than payment of his accrued but unpaid base salary and vacation pay up to the termination date and any payments required by applicable employment standards legislation.

Jim Gabel's employment agreement also contains customary confidentiality and non-disparagement covenants and certain restrictive covenants that will continue to apply following the termination of his employment, including non-competition and non-solicitation provisions which are in effect during Jim Gabel's employment and for the 6 months and 18 months following the termination of his employment, respectively.

Jim Rudyk, Chief Financial Officer

Jim Rudyk's employment agreement provides for base salary, an annual performance bonus, benefits and participation in the Legacy Equity Incentive Plan.

The employment agreement with Jim Rudyk specifies the amounts or items payable, including severance, to Jim Rudyk in the event that he is terminated without cause or resigns with good reason. The payment of severance to Jim Rudyk is conditioned on his execution of a release of claims.

If Jim Rudyk is terminated without cause or resigns with good reason, then in addition to his accrued but unpaid base salary and vacation pay up to the termination date, and benefits continuation, we will pay Jim Rudyk: (i) his annual cash bonus incentive entitlement (if any) calculated pro rata for the period up to the termination date based on achievement of the incentive bonus target to such date, and (ii) an amount equal to his base salary on a regular payroll basis in equal installments over a period of 12 months.

If Jim Rudyk's employment is terminated with cause or due to his resignation, he will not be entitled to any severance, notice or payment in lieu of notice or similar payment in respect of such termination or resignation, other than payment of his accrued but unpaid base salary and vacation pay up to the termination date and any payments required by applicable employment standards legislation.

Jim Rudyk's employment agreement also contains customary confidentiality and non-disparagement covenants and certain restrictive covenants that will continue to apply following the termination of his employment, including non-competition and non-solicitation provisions which are in effect during Jim Rudyk's employment and for the 6 months and 18 months following the termination of his employment, respectively.

Priscilla Shum, Chief Merchandising Officer

Priscilla Shum's employment agreement provides for base salary, an annual performance bonus, benefits and participation in the Legacy Equity Incentive Plan.

The employment agreement with Priscilla Shum specifies the amounts or items payable, including severance, to Priscilla Shum in the event that she is terminated without cause. The payment of severance to Priscilla Shum is conditioned on her execution of a release of claims.

If Priscilla Shum is terminated without cause, then in addition to her accrued but unpaid base salary and vacation pay up to the termination date, and benefits continuation, we will pay to Priscilla Shum (i) her annual cash bonus incentive entitlement (if any) calculated pro rata for the period up to the termination date based on achievement of the incentive bonus target to such date, and (ii) an amount equal to one-half of her base salary, plus after three completed years of service, one additional month of base salary per completed year of service, up to a maximum aggregate amount of one full year of base salary (the "**Shum Severance Period**"). Priscilla Shum's severance is to be paid on a regular payroll basis in equal installments over the applicable severance period.

If Priscilla Shum's employment is terminated with cause or due to her resignation, she will not be entitled to any severance, notice or payment in lieu of notice or similar payment in respect of such termination or resignation, other than payment of her accrued but unpaid base salary and vacation pay up to the termination date and any payments required by applicable employment standards legislation.

Priscilla Shum's employment agreement also contains customary confidentiality and non-disparagement covenants and certain restrictive covenants that will continue to apply following the termination of her employment, including non-competition and non-solicitation provisions which are in effect during Priscilla Shum's employment and for the Shum Severance Period and 18 months following the termination of her employment, respectively.

James Connell, Vice President, e-Commerce and Customer Experience

James Connell's employment agreement provides for base salary, an annual performance bonus and benefits. James Connell also participates in the Legacy Employee Option Plan.

The employment agreement also specifies the amounts or items payable, including severance, to James Connell in the event that he is terminated without cause. The payment of severance to James Connell is conditioned on his execution of a release of claims.

If James Connell is terminated without cause, then in addition to his accrued but unpaid base salary and vacation pay up to the termination date, and benefits continuation, we will pay to James Connell (i) his annual cash bonus incentive entitlement (if any) calculated pro rata for the period up to the termination date based on achievement of the incentive bonus target to such date, and (ii) as severance, (a) an amount equal to one and one half of the aggregate of (x) his base salary as at the termination date, (y) the annual value of his automobile allowance (if any) as at the termination date, and (z) the average of all annual incentive bonuses paid or payable to James Connell for the two full fiscal years completed immediately prior to the termination date (the "**Severance Compensation**"), plus (b) an amount equal to one-twelfth of the Severance Compensation multiplied by the number of completed years of employment by James Connell following February 1, 2015, provided that, the total severance payable is subject to a maximum of two times the Severance Compensation. James Connell's severance is payable on a regular payroll basis in approximately equal installments over the period of time following the termination date equal to 18 months plus one additional month for each year of completed employment by James Connell following February 1, 2015, up to a maximum of 24 months, and ending once the severance has been fully paid.

If James Connell's employment is terminated with cause or due to his resignation, he will not be entitled to any severance, notice or payment in lieu of notice or similar payment in respect of such termination or resignation, other than payment of his accrued but unpaid base salary and vacation pay up to the termination date and any payments required by applicable employment standards legislation.

James Connell's employment agreement also contains customary confidentiality and non-disparagement covenants and certain restrictive covenants that will continue to apply following the termination of his employment, including non-competition and non-solicitation provisions which are in effect during James Connell's employment and for the 6 months and 12 months following the termination of his employment, respectively.

Almira Cuizon, Vice President, Retail Operations

Almira Cuizon's employment agreement provides for base salary, an annual performance bonus, benefits and participation in the Legacy Equity Incentive Plan.

The employment agreement with Almira Cuizon specifies the amounts or items payable, including severance, to Almira Cuizon in the event that she is terminated without cause. The payment of severance to Almira Cuizon is conditioned on her execution of a release of claims.

If Almira Cuizon is terminated without cause, then in addition to her accrued but unpaid base salary and vacation pay up to the termination date, and benefits continuation, we will pay to Almira Cuizon (i) her annual cash bonus incentive entitlement (if any) calculated pro rata for the period up to the termination date based on achievement of the incentive bonus target to such date, and (ii) an amount equal to one-half of her base salary, plus after three completed years of service, one additional month of base salary per completed year of service, up to a maximum aggregate amount of one full year of base salary (the "**Cuizon Severance Period**"). Almira Cuizon's severance is to be paid on a regular payroll basis in equal installments over the applicable severance period.

If Almira Cuizon's employment is terminated with cause or due to her resignation, she will not be entitled to any severance, notice or payment in lieu of notice or similar payment in respect of such termination or resignation, other than payment of her accrued but unpaid base salary and vacation pay up to the termination date and any payments required by applicable employment standards legislation.

Almira Cuizon's employment agreement also contains customary confidentiality and non-disparagement covenants and certain restrictive covenants that will continue to apply following the termination of her employment, including non-competition and non-solicitation provisions which are in effect during Almira Cuizon's employment and for the Cuizon Severance Period.

The table below shows the incremental payments that would be made to our NEOs under the terms of their employment agreements upon the occurrence of certain events, if such events were to occur on February 2, 2018.

Name and Principal Position	Event	Severance	Other Payments[(1)]	Total
Jim Gabel *President & Chief Executive Officer*	Termination without cause or resignation with good reason	$510,000	$12,144	$522,144
Jim Rudyk *Chief Financial Officer*	Termination without cause or resignation with good reason	$382,500	$11,144	$393,644
Priscilla Shum *Chief Merchandising Officer*	Termination without cause	$145,350	$7,226	$152,576
James Connell *Vice President, e-Commerce and Customer Experience*	Termination without cause	$638,923	$8,552	$647,475
Almira Cuizon *Vice President, Retail Operations*	Termination without cause	$117,500	$20,553	$138,053

Note:

(1) Amounts reflect the NEO's benefits coverage for their severance period.

OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS

The following table sets out information on the outstanding option-based awards held by each of our NEOs as of February 3, 2018. None of our NEOs currently hold any share-based awards.

Name and Principal Position	Number of Securities Underlying Unexercised Options	Option-Based Awards		
		Option Exercise Price	Option Expiration Date	Value of Unexercised In-the-Money Options[(1)]
Jim Gabel *President & Chief Executive Officer*	1,352,482 140,135	$4.67 $12.00	February 24, 2026 October 2027	$9,413,275 —
Jim Rudyk *Chief Financial Officer*	676,241 70,067	$4.67 $12.00	January 6, 2026 October 2027	$4,706,637 —
Priscilla Shum *Chief Merchandising Officer*	338,120 35,033	$5.14 $12.00	April 11, 2026 October 2027	$2,194,399 —
James Connell *Vice President, e-Commerce and Customer Experience*	107,096	$6.26	June 7, 2028	$575,106
Almira Cuizon *Vice President, Retail Operations*	148,772 15,414	$5.37 $12.00	December 12, 2026 October 2027	$931,313 —

Note:

(1) The value of unexercised in-the-money options is calculated based on the closing price per Share of $11.63 on February 2, 2018, the last trading day of Fiscal 2017 less the exercise price.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table indicates, for each of our NEOs, the value of the option-based awards vested in accordance with their terms during Fiscal 2017 and the value of the annual bonuses paid in respect of Fiscal 2017:

Name and Principal Position	Option-Based Awards – Value Vested or Earned During the Year[(1)]	Non-Equity Incentive Plan Compensation – Value Earned During the Year
Jim Gabel *President & Chief Executive Officer*	$1,081,980	$455,007
Jim Rudyk *Chief Financial Officer*	$488,700	$365,630
Priscilla Shum *Chief Merchandising Officer*	$270,492	$147,261
James Connell *Vice President, e-Commerce and Customer Experience*	—	$123,854
Almira Cuizon *Vice President, Retail Operations*	$98,684	$119,045

Note:

(1) Includes time vesting stock options that vested under the Legacy Equity Incentive Plan during the fiscal year. The value of time vesting stock options vested during the fiscal year is calculated based on $12.00 per Share less the exercise price for stock options vested prior to October 25, 2017 (the date of our IPO) and the value of stock options vested after the date of the IPO is calculated based on the closing price of the Shares on the applicable vesting date less the exercise price.

OTHER INFORMATION

Indebtedness of Directors and Executive Officers

Other than as described below, none of our directors, executive officers, employees, former directors, former executive officers or former employees or any of our subsidiaries, and none of their respective associates, is or has within 30 days before the date of this Circular or at any time since the beginning of the most recently completed financial year been indebted to us or any of our subsidiaries or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar agreement or understanding provided by us or any of our subsidiaries.

AGGREGATE INDEBTEDNESS

PURPOSE	TO US OR OUR SUBSIDIARIES	TO ANOTHER ENTITY
Share purchases	$540,800(1)	—
Other	—	—

Note:

(1) Represents a loan from the Company to Jim Rudyk at the time of his hiring in connection with his purchase of the equivalent of 214,193 Class A Shares from Searchlight at a price of $4.67 per share prior to the IPO and the pre-closing capital changes as described in our Management's Discussion and Analysis (see "Additional Information"). The purchase for the shares was paid using $500,000 in cash and a $500,000 loan from the Company. The loan is to be repaid at the earlier of six years from the date of the loan and upon a liquidity sale of the Company. Interest accrues at a rate of 4% per annum and is payable at the start of each calendar year following the date of the loan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS UNDER SECURITIES PURCHASE AND OTHER PROGRAMS

NAME AND PRINCIPAL POSITION	INVOLVEMENT OF COMPANY OR SUBSIDIARY	LARGEST AMOUNT OUTSTANDING DURING FISCAL 2017	AMOUNT OUTSTANDING AS AT MAY 7, 2018	FINANCIALLY ASSISTED SECURITIES PURCHASES DURING FISCAL 2017	SECURITY FOR INDEBTEDNESS	AMOUNT FORGIVEN DURING FISCAL 2017
Securities Purchase Programs						
Jim Rudyk(1) *Chief Financial Officer*	Roots is the lender	$540,800	$540,800	—	—	—

Note:

(1) Represents a loan from the Company to Jim Rudyk at the time of his hiring in connection with his purchase of the equivalent of 214,193 Class A Shares from Searchlight at a price of $4.67 per share prior to the IPO and the pre-closing capital changes as described in our Management's Discussion and Analysis (see "Additional Information"). The purchase for the shares was paid using $500,000 in cash and a $500,000 loan from the Company. The loan is to be repaid at the earlier of six years from the date of the loan and upon a liquidity sale of the Company. Interest accrues at a rate of 4% per annum and is payable at the start of each calendar year following the date of the loan.

INTERESTS OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

To the knowledge of the directors and executive officers of Roots, no director or executive officer of the Company, any proposed nominee for election as director of the Company, or any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as described elsewhere in this Circular and in our most recent Annual Information Form under the heading "Interest of Management and Others in Material Transactions", there are no material interests, direct or indirect, of any of our directors or executive officers, any shareholder that beneficially owns, or controls or directs (directly or indirectly), more than 10% of any class or series of our outstanding voting securities, or any associate or affiliate of any of the foregoing persons, in any transaction since the commencement of our most recently completed financial year or in any proposed transaction that has materially affected or is reasonably expected to materially affect us or any of our subsidiaries.

SHAREHOLDER PROPOSALS

There are no shareholder proposals to be considered at the Meeting. The CBCA permits certain eligible shareholders to submit shareholder proposals to us, which proposals may be included in a management information circular relating to an annual meeting of shareholders. The final date by which we must receive shareholder proposals for our annual meeting of shareholders to be held in 2019 is February 17, 2019.

ADDITIONAL INFORMATION

The Company is a reporting issuer under the applicable legislation of all of the provinces and territories of Canada and is required to file financial statements and information circulars with the various securities commissions. The Company has filed its Annual Information Form with those securities commissions which, among other things, contained all of the disclosure required by Form 52-110F1 under NI 52-110.

Additional copies of our latest Annual Information Form, this Circular and our consolidated financial statements and management's discussion and analysis can be obtained upon request from the General Counsel and Corporate Secretary of Roots by writing to:

Roots Corporation
1400 Castlefield Avenue
Toronto, Ontario, M6B 4C4, Canada

Financial information is provided in our audited consolidated financial statements and management's discussion and analysis for its most recently completed financial year. Additional information about or relating to the Company can also be found at www.investors.roots.com and on SEDAR at www.sedar.com.

CONTACTING THE BOARD OF DIRECTORS

Shareholders, employees and other interested parties may communicate directly with the Board through the Lead Independent Director by writing to:

Lead Independent Director
Roots Corporation
1400 Castlefield Avenue
Toronto, Ontario, M6B 4C4, Canada

BOARD APPROVAL

The contents and sending of this Circular to Shareholders entitled to receive notice of the Meeting, to each director, to the auditors of the Company and to the appropriate securities regulatory authorities have been approved by the Board.

On behalf of the Board of Directors,

Jim Gabel
President and Chief Executive Officer

Toronto, Ontario
May 8, 2018

APPENDIX A

MANDATE OF THE BOARD OF DIRECTORS

1. Introduction

The members of the board of directors (respectively, the "**Directors**" and the "**Board**") of Roots Corporation (the "**Company**") are elected by the shareholders of the Company and are responsible for the stewardship of the Company. The purpose of this Mandate is to describe the principal duties and responsibilities of the Board, as well as some of the policies and procedures that apply to the Board in discharging its duties and responsibilities.

Certain aspects of the composition and organization of the Board are prescribed and/or governed by the Canada Business Corporations Act and the constating documents of the Company, and applicable agreements, including the investor rights agreement between the Company and certain of its shareholders (the "**Investor Rights Agreement**"). Certain of the provisions of the Board Mandate may be modified or superseded by the provisions of the Investor Rights Agreement. In the event of a conflict between this Board Mandate and the Investor Rights Agreement, the Investor Rights Agreement shall prevail.

2. Chair of the Board

The Board will appoint an independent director to act as Chair of the Board (the "**Chair**"). If the Board determines that this is not appropriate in the circumstances and instead appoints a non-independent director to act as Chair of the Board, the Board will also appoint an independent director to act as lead director (the "**Lead Director**"). Either an independent Chair of the Board or the Lead Director will act as the effective leader of the Board and ensure that the Board's agenda will enable it to successfully carry out its duties. The Chair of the Board and the Lead Director, as applicable, may be removed at any time at the discretion of the Board.

3. Board Size

The constating documents of the Company provide that the Board shall be comprised of a minimum of three (3) Directors and a maximum of fifteen (15) Directors. Pursuant to the Investor Rights Agreement, the Board shall initially be comprised of seven (7) Directors. The Board shall periodically review its size in light of its duties and responsibilities from time to time. Applicable residency requirements will be complied with in respect of the composition of the Board.

4. Independence

The Board shall be comprised of a minimum of two (2) independent Directors. A Director shall be considered independent if he or she would be considered independent for the purposes of National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

5. Role and Responsibilities of the Board

The Board is responsible for supervising the management of the business and affairs of the Company and is expected to focus on guidance and strategic oversight with a view to increasing shareholder value.

In accordance with the Canada Business Corporations Act, in discharging his or her duties, each Director must act honestly and in good faith, with a view to the best interests of the Company. Each Director must also exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

6. **Board Meetings**

(a) In accordance with the constating documents of the Company, meetings of the Board may be held at such times and places as the Chair may determine and as many times per year as necessary to effectively carry out the Board's responsibilities. The non-employee Directors may meet without senior executives of the Company, as required. The independent Directors may meet without senior executives of the Company and any non-independent Directors, as required.

(b) The Chair shall be responsible for establishing or causing to be established the agenda for each Board meeting, and for ensuring that regular minutes of Board proceedings are kept and circulated on a timely basis for review and approval.

(c) The Chair (or other Directors as delegated by the Chair from time to time) may invite, at its discretion, any other individuals to attend its meetings. Senior executives of the Company shall attend a meeting if invited by the Chair (or another Director delegated by the Chair).

7. **Delegations and Approval Authorities**

(a) The Board shall appoint the chief executive officer of the Company (the "**CEO**") and delegate to the CEO and other senior executives the authority over the day-to-day management of the business and affairs of the Company.

(b) The Board may delegate certain matters it is responsible for to the committees of the Board, currently consisting of the Audit Committee, and the Governance, Compensation and Nominating Committee. The Board may appoint other committees, as it deems appropriate, subject to compliance with the Investor Rights Agreement and to the extent permissible under applicable law. The Board will, however, retain its oversight function and ultimate responsibility for such matters and associated delegated responsibilities.

8. **Strategic Planning Process and Risk Management**

(a) The Board shall adopt a strategic planning process to establish objectives and goals for the Company's business and shall review, approve and modify as appropriate the strategies proposed by senior executives to achieve such objectives and goals. The Board shall review and approve, at least on an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the Company's business and affairs.

(b) The Board, in conjunction with management, shall be responsible to identify the principal risks of the Company's business and oversee management's implementation of appropriate systems to seek to effectively monitor, manage and mitigate the impact of such risks. Pursuant to its duty to oversee the implementation of effective risk management policies and procedures, the Board may delegate to applicable Board committees the responsibility for assessing and implementing appropriate policies and procedures to address specified risks, including delegation of financial and related risk management to the Audit Committee and delegation of risks associated with compensation policies and practices to the Governance, Compensation and Nominating Committee.

9. **Succession Planning, Appointment and Supervision of Senior Executives**

(a) The Board shall approve the corporate goals and objectives of the CEO and review the performance of the CEO against such corporate goals and objectives. The Board shall take steps to satisfy itself as to the integrity of the CEO and other senior executives of the

Company and that the CEO and other senior executives create a culture of integrity throughout the organization.

(b) The Board shall approve the succession plan for the Company, including the selection, appointment, supervision and evaluation of the senior executives of the Company, and shall also approve the compensation of the senior executives of the Company upon recommendation of the Governance, Compensation and Nominating Committee.

10. **Financial Reporting and Internal Controls**

The Board shall review and monitor, with the assistance of the Audit Committee, the adequacy and effectiveness of the Company's system of internal control over financial reporting, including any significant deficiencies or changes in internal control and the quality and integrity of the Company's external financial reporting processes.

11. **Regulatory Filings**

The Board shall approve applicable regulatory filings that require or are advisable for the Board to approve, which the Board may delegate in accordance with Section 7(b) of this mandate. These include, but are not limited to, the annual audited financial statements, interim financial statements and related management's discussion and analysis accompanying such financial statements, management proxy circulars, annual information forms, offering documents and other applicable disclosure.

12. **Corporate Disclosure and Communications**

The Board will seek to ensure that corporate disclosure of the Company complies with all applicable laws, rules and regulations and the rules and regulations of the stock exchanges upon which the Company's securities are listed. In addition, the Board shall adopt appropriate procedures designed to permit the Board to receive feedback from shareholders on material issues.

13. **Corporate Policies**

The Board shall adopt and periodically review policies and procedures designed to ensure that the Company and its Directors, officers and employees comply with all applicable laws, rules and regulations and conduct the Company's business ethically and with honesty and integrity.

14. **Review of Mandate**

The Board may, from time to time, permit departures from the terms of this Board Mandate, either prospectively or retrospectively. This Board Mandate is not intended to give rise to civil liability on the part of the Company or its Directors or officers, to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.

The Board may review and recommend changes to the Board Mandate from time to time and the Governance, Compensation and Nominating Committee may periodically review and assess the adequacy of this mandate and recommend any proposed changes to the Board for consideration.

APPENDIX B

GOVERNANCE, COMPENSATION AND NOMINATING COMMITTEE CHARTER

1. **Responsibility**

The Governance, Compensation and Nominating Committee (the "**Committee**") is responsible for:

- regularly assessing the effectiveness of the Corporation's Board of Directors (the "**Board**"), each of its committees and individual members;
- identifying candidates qualified for election or appointment to the Board, other than candidates nominated by certain shareholders pursuant to the investor rights agreement dated October 25, 2017 between the Corporation and such shareholders (the "**Investor Rights Agreement**");
- determining the number of directors and composition for each of the committees of the Board;
- assisting in orienting and educating directors and assessing their performance on a regular basis;
- developing the Corporation's approach to governance of the Corporation and recommending to the Board governance principles to be followed by the Corporation;
- the appointment, performance, evaluation and compensation of the Corporation's senior executives;
- the recruitment, development and retention of the Corporation's senior executives;
- discharging the Board's responsibilities relating to compensation and benefits of the Corporation's senior executives, including reviewing for approval to the Board the adoption of or any material change in any of the Corporation's executive compensation, benefit, retirement or savings plans;
- establishing policies and procedures designed to identify and mitigate risks associated with the Corporation's compensation policies and practices;
- overseeing the Corporation's talent management, succession planning systems and processes relating to senior executives;
- assessing and reporting to the shareholders on executive and director compensation; and
- performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

2. **Members**

The Board must appoint a minimum of three directors to be members of the Committee. The majority of the members of the Committee shall be independent and a majority shall be residents of Canada.

For the purpose of this Charter, a director is “independent” if he or she would be independent within the meaning of National Instrument 58-101 — *Disclosure of Corporate Governance Practices*, as the same may be amended or replaced from time to time.

3. **Chair**

Each year, the Board shall appoint one member to be Chair of the Committee. If, in any year, the Board does not appoint a Chair, the incumbent Chair shall continue in office until a successor is appointed.

4. **Tenure**

Each member shall hold office until his or her term as a member of the Committee expires or is terminated.

5. **Quorum, Removal and Vacancies**

A majority of the Committee’s members shall constitute a quorum. Any member may be removed and replaced at any time by the Board. The Board shall fill vacancies in the Committee by appointment from among the members of the Board. If a vacancy exists on the Committee, the remaining members shall exercise all powers so long as a quorum remains in office.

6. **Duties**

The Committee will have the duties set out below as well as any other duties that are specifically delegated to the Committee by the Board.

(a) **Board Succession Plan**

The Committee shall develop and maintain, as required, a Board succession plan.

(b) **Establish and Assess Director Qualifications**

The Committee shall from time to time establish the qualification standards for directors relating to, among other things, the competencies, skills and personal qualities that should be sought in candidates for Board membership, having in mind the skills and competencies the Board as a whole should possess. The Committee shall regularly assess the competencies and skills of the Board.

(c) **Identify Candidates for Nomination as a Director**

The Committee shall develop and recommend to the Board from time to time a list of candidates for Board election or appointment with a view to enhancing the independence, quality and diversity of nominees to be elected by the shareholders at the annual general meeting of shareholders. The Committee should determine if each such candidate would be an independent director.

The Chair of the Committee, with the assistance of the Chair of the Board and one or more other directors appointed by the Board, should approach candidates for Board membership including nominees put forth for nomination pursuant to the terms of the Investor Rights Agreement, if any, to:

- explore the candidates’ interest in joining the Board and seek their consent to act as a director;
- assess the candidates’ skills and competencies; and
- confirm that interested candidates understand the role of a director and the contribution a director is expected to make to the Board, including the commitment of time and energy that the Corporation expects of its directors.

The Committee shall from time to time consider the appropriate size of the Board with a view to facilitating proper decision-making.

(d) **Orientation and Continuing Education of Directors**

The Committee should take steps to satisfy itself that:

- new directors are given a proper orientation to both the Corporation and their responsibilities and duties as directors; and
- the Corporation provides appropriate continuing education opportunities for directors.

(e) **Recruit Directors for Board Committees and Filling Vacancies**

The Committee will recommend to the Board those directors that the Committee considers qualified for appointment to the Audit Committee, the Governance, Compensation and Nominating Committee and other committees of the Board. Where a vacancy occurs at any time in the membership of any committee of the Board, the Committee will recommend to the Board a director to fill such vacancy.

(f) **Performance Assessment of the Board, Board Committees and Individual Directors**

The Committee will review, on an annual basis, the effectiveness and performance of the Board, and all committees of the Board.

The Committee will evaluate directors on a regular basis to assess their suitability for re-election.

(g) **Develop Approach to Governance of the Corporation**

The Committee has the authority and responsibility to review the Corporation’s overall approach to governance and to make recommendations to the Board in this regard. Among other things, the Committee has the authority and responsibility to:

- develop or review the mandates and charters of the Board and committees of the Board and recommend to the Board the adoption of or amendments to such mandates or charters;
- examine the size and composition of the Board and recommend a Board size and composition that facilitates effective decision-making;

- study and recommend the implementation of structures and procedures to ensure that the Board can function independently of management and without conflicts of interest, including scheduling, at regular intervals, meetings of the Board without management present;

- develop processes and protocols for dealing with related party transactions and conflicts of interest;

- monitor the relationship between officers and the Board, and recommend a process whereby the directors will have access to, and have an effective relationship with, management of the Corporation;

- be available as a forum for addressing the concerns of individual directors;

- work with the President and Chief Executive Officer and other members of management to ensure that the Corporation has a healthy governance culture; and

- monitor developments in the area of governance and undertake other initiatives that may be desirable to maintain the highest standards of governance.

(h) **Code of Conduct**

The Committee shall monitor the effectiveness of the Corporation's Code of Conduct (the "**Code**") to confirm that it appropriately addresses, among other things, conflicts of interest, opportunities, confidentiality, fair dealing, protection and proper use of the Corporation's assets, compliance with applicable laws and the reporting of illegal or unethical behaviour, and also establish mechanisms to facilitate the effective operation of the Code and the granting of waivers of the Code. A copy of the Code shall be posted on the Corporation's website. The Committee shall approve any material waivers of the Code that are sought by directors or officers of the Corporation. It is acknowledged that the Audit Committee receives periodic reporting on any material matters arising from known or suspected violations of the Code.

(i) **Timely Disclosure, Confidentiality and Securities Trading Policy**

The Committee shall monitor the effectiveness of the Corporation's policies addressing the timely disclosure of material information, the confidentiality of material undisclosed information and the prohibitions against trading in securities of the Corporation and other issuers while in possession of undisclosed information that is material to the Corporation or other such issuers.

(j) **Succession Planning**

The Committee shall review the Corporation's organizational structure, consider succession planning for senior executives and recommend policies and principles for the selection and performance review of the senior executives including the President and Chief Executive Officer, as well as policies regarding succession in the event of an emergency or the retirement of the President and Chief Executive Officer and for the appointment, training and monitoring of other senior executives.

(k) **Incentive Compensation Plans and Equity-Based Plans**

The Committee shall:

- make recommendations to the Board with respect to the adoption and amendment of executive incentive compensation plans and equity-based plans, including share purchase plans and dividend reinvestment plans, if any;

- approve any employment inducement option awards or other equity compensation awards under plans approved by the Board;

- approve all stock options granted under any stock option or other equity compensation plan adopted by the Corporation, including the entitlement, vesting, exercise price and all other matters relating to such plans; and

- approve all senior executive compensation and incentive bonus plans and all awards under such plans.

(l) **Employment Agreements**

The Committee shall review and approve the terms of employment of the senior executives of the Corporation that are directly employed by the Corporation.

(m) **Assessment and Compensation of the President and Chief Executive Officer**

The Committee shall:

- together with the President and Chief Executive Officer, develop a position description for the President and Chief Executive Officer, setting out the President and Chief Executive Officer's authority and responsibilities;

- oversee the duties of the President and Chief Executive Officer to ensure appropriate supervision and management of any potential conflicts of interest between the President and Chief Executive Officer, the Corporation and its affiliates, and the Corporation's shareholders;

- review and approve the corporate goals and objectives that are relevant to the compensation of the President and Chief Executive Officer; and

- evaluate the performance of the President and Chief Executive Officer in meeting his or her goals and objectives.

When determining the long-term incentive component of the compensation of the President and Chief Executive Officer, if any, the Committee shall consider the Corporation's performance, relative shareholder return and the value of similar incentive awards granted to senior executives of comparable organizations.

(n) **Compensation of Senior Executives**

The Committee shall approve the corporate goals, objectives and compensation of senior executives and may periodically assess the senior executive compensation in light of the Corporation's performance, relative shareholder return and compensation paid to senior executives of comparable organizations.

(o) **Compensation of Board Members**

The Committee shall review, and recommend to the Board, the compensation to be paid to the directors and to members and chairs of Board committees.

(p) **Disclosure of Executive Compensation**

The Committee shall be responsible for reviewing all public disclosure relating to executive compensation, including the Compensation Discussion and Analysis contained in the Corporation's management proxy circular.

7. **Reporting**

The Committee shall report to the Board on:

- the effectiveness of the Board and all committees of the Board, other than the Governance, Compensation and Nominating Committee;
- the approval of any stock option or other equity-based grants under any stock option or other equity compensation plan of the Corporation;
- all senior executive incentive bonus plans and grants thereunder;
- the review of the corporate goals and objectives relevant to the compensation of senior executives;
- the compensation of senior executives;
- any material benefit, retirement or savings plans matters;
- the compensation to be paid to directors and to the members and chairpersons of Board committees;
- the preparation of the Corporation's management proxy circular; and
- all other material matters dealt with by the Committee.

8. **Review and Disclosure**

The position descriptions for the Corporation's President and Chief Executive Officer, Chief Financial Officer, Chair of the Board, the Lead Independent Director and this Charter shall be reviewed by the Committee at least annually and be submitted to the Board for approval with such amendments as the Committee proposes. This Charter shall also be posted on the Corporation's website.

9. **Frequency of Meetings and *in camera* Sessions**

The Committee shall meet as frequently as the Committee deems appropriate to accomplish its mandate. Following each meeting of the Committee, the Committee members shall meet alone in a private session (without management or others present).

10. **Retention of Experts**

The Committee may engage such special executive compensation, legal, accounting or other experts, without Board approval and at the expense of the Corporation, as it considers necessary to perform its duties.

Roots