2022

Notice of Annual
and Special Meeting of Shareholders and Management Proxy Circular

To be held on May 5, 2022
in Montréal, Québec, Canada

BOMBARDIER

BOMBARDIER INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS 2022

YOUR VOTE IS IMPORTANT

As used in this management proxy circular, all references to Bombardier, the Corporation, we, us or similar terms are to Bombardier Inc.

Date:	Thursday, May 5, 2022
Time:	10:30 a.m. (Montréal time)
Place:	bombardier.com/en/agm2022 Enter password: bombardier2022 (case sensitive)

The holders of Class A shares (multiple voting) and/or Class B shares (subordinate voting) of Bombardier whose names appear on the list of shareholders of Bombardier on the record date of Monday, March 7, 2022, at 5:00 p.m. (Montréal time) will be entitled to receive this notice of the meeting of shareholders and to vote at the meeting or any adjournment thereof.

In light of the ongoing public health concerns related to the spread of COVID-19 and in order to mitigate potential risks to the health and safety of its shareholders, employees, communities and other stakeholders, the Corporation is providing facilities to allow its shareholders to participate in a virtual meeting format. Registered shareholders and duly appointed proxyholders may attend, vote and participate in the meeting via live webcast. Non-registered shareholders who have not appointed themselves as proxyholders and registered with our transfer agent, Computershare, may also attend the meeting as guests. Guests will be able to attend and listen to the meeting virtually, but will not be able to vote or ask questions. A summary of the information shareholders will need to attend, vote and participate in the virtual meeting is provided on pages 3 to 8 hereof.

Shareholders are strongly encouraged to vote their shares in advance of the meeting by proxy or to vote virtually at the meeting online. The Corporation welcomes all shareholders and others who wish to attend the meeting to do so by joining the live webcast that will be available at bombardier.com/en/agm2022. Registered shareholders and duly appointed proxyholders will be able to submit questions to management of the Corporation through the webcast.

BUSINESS ON THE AGENDA OF THE MEETING:

1. Receipt of the Corporation's consolidated financial statements of Bombardier Inc. for the financial year ended December 31, 2021 and the auditors' report thereon;
2. Election of the directors of the Corporation;
3. Appointment of Ernst & Young LLP as auditors of the Corporation and authorization of the directors to fix their remuneration;
4. Consideration and, if deemed advisable, adoption of a Special Resolution (the full text of which is reproduced as Exhibit "B" to this Circular) authorizing the Corporation to apply for a Certificate of Amendment under the *Canada Business Corporations Act* ("CBCA") to amend its Restated Articles of Incorporation ("Restated Articles of Incorporation"), to consolidate the Class A shares (multiple voting), issued and unissued, and Class B shares (subordinated voting), issued and unissued, on the basis set out in this Circular;
5. Consideration and, if deemed appropriate, adoption of a non-binding advisory resolution on the Corporation's approach to executive compensation;
6. Consideration and, if deemed appropriate, approval of the shareholder proposals set out in Exhibit "C" to this Circular; and
7. Consideration of such other business as may properly come before the meeting.

By order of the Board of Directors,

Annie Torkia Lagacé
Senior Vice President, General Counsel
and Corporate Secretary
Montréal, Québec, Canada, March 14, 2022

MEETING MATERIALS

The Corporation is using notice-and-access to deliver this Circular and related materials to both its registered and non-registered shareholders. This means that this Circular is posted online for you to access electronically instead of being mailed out. While you will still receive by mail a proxy form or a voting instruction form so you can vote your shares, instead of receiving a paper copy of this Circular, you will receive a notice outlining the matters to be addressed at the meeting and explaining how you can access this Circular electronically and how to request a paper copy. Notice-and-access is environmentally friendly and cost effective as it reduces paper, printing and postage.

You may request a paper copy of this Circular, at no charge, at any time prior to the meeting and up to one year from the date it is filed on SEDAR (www.sedar.com). Such a request can be made by calling 1 866 964 0492 (Canada and the United States) or +1 514 982 8714 (other countries) and following the instructions. If you request a paper copy of this Circular, you will not receive a new proxy form or voting instruction form, so you should keep the original form sent to you in order to vote.

NOTICE TO THE READER REGARDING CURRENCY

Please note that all dollar amounts in this Circular are in US DOLLARS, unless otherwise specifically stated in the text.

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2022 MANAGEMENT PROXY CIRCULAR

This Circular is furnished in connection with the solicitation by the management of Bombardier of proxies for use at the annual and special meeting of the holders of Class A shares (multiple voting) (the “Class A shares”) and Class B shares (subordinate voting) (the “Class B subordinate voting shares”), of the Corporation to be held on Thursday, May 5, 2022 at 10:30 a.m. (Montréal time) by live webcast that will be available online at bombardier.com/en/agm2022 (the “Meeting”), and at any and all adjournments thereof.

In light of the ongoing public health concerns related to the spread of COVID-19 and in order to mitigate potential risks to the health and safety of its shareholders, employees, communities and other stakeholders, the Corporation is providing facilities to allow its shareholders to participate in a virtual meeting format. Registered shareholders and duly appointed proxyholders may attend, vote and participate in the Meeting via live webcast. Non-registered shareholders who have not appointed themselves as proxyholders and registered with our transfer agent, Computershare Investor Services Inc. (“Computershare”), may also attend the Meeting as guests. Guests will be able to attend and listen to the meeting virtually, but will not be able to vote or ask questions. A summary of the information shareholders will need to attend, vote and participate in the virtual Meeting is provided on pages 3 to 8 hereof.

The Corporation welcomes all shareholders and others who wish to attend the Meeting to do so by joining the live webcast that will be available at bombardier.com/en/agm2022. Registered shareholders and duly appointed proxyholders will be able to submit questions to management of the Corporation through the webcast.

FORWARD-LOOKING STATEMENTS

This Circular includes forward-looking statements, which may involve, but are not limited to: statements with respect to the Corporation's objectives, anticipations and outlook or guidance in respect of various financial and global metrics and sources of contribution thereto, targets, goals, priorities, market and strategies, financial position, financial performance, market position, capabilities, competitive strengths, credit ratings, beliefs, prospects, plans, expectations, anticipations, estimates and intentions; general economic and business outlook, prospects and trends of an industry; customer value; expected demand for products and services; growth strategy; product development, including projected design, characteristics, capacity or performance; expected or scheduled entry-into-service of products and services, orders, deliveries, testing, lead times, certifications and execution of orders in general; competitive position; expectations regarding revenue and backlog mix; the expected impact of the legislative and regulatory environment and legal proceedings; strength of capital profile and balance sheet, creditworthiness, available liquidities and capital resources, expected financial requirements, and ongoing review of strategic and financial alternatives; the introduction of, productivity enhancements, operational efficiencies, cost reduction and restructuring initiatives, and anticipated costs, intended benefits and timing thereof; the anticipated business transition to growth cycle and cash generation; expectations, objectives and strategies regarding debt repayment, refinancing of maturities and interest cost reduction; expectations regarding availability of government assistance programs, compliance with restrictive debt covenants; expectations regarding the declaration and payment of dividends on our preferred shares; intentions and objectives for our programs, assets and operations; and the impact of the ongoing COVID-19 pandemic on the foregoing and the effectiveness of plans and measures we have implemented in response thereto; and expectations regarding the strength of the market and economic recovery in the aftermath of the COVID-19 pandemic.

Forward-looking statements can generally be identified by the use of forward-looking terminology such as “may”, “will”, “shall”, “can”, “expect”, “estimate”, “intend”, “anticipate”, “plan”, “foresee”, “believe”, “continue”, “maintain” or “align”, the negative of these terms, variations of them or similar terminology. Forward-looking statements are presented for the purpose of assisting investors and others in understanding certain key elements of our current objectives, strategic priorities, expectations, outlook and plans, and in obtaining a better understanding of our business and anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes.

By their nature, forward-looking statements require management to make assumptions and are subject to important known and unknown risks and uncertainties, which may cause our actual results in future periods to differ materially from forecast results set forth in forward-looking statements. While management considers these assumptions to be reasonable and appropriate based on information currently available, there is risk that they may not be accurate. The assumptions underlying the forward-looking statements made in this Circular include the following material assumptions: growth of the business aviation market and Corporation’s share of such market; proper identification of recurring cost savings and executing on our cost reduction plan; optimization of our real estate portfolio, including through the sale or other transaction in respect of real estate assets on favorable terms; and access to working capital facilities on market terms. For additional information, including on other assumptions underlying the forward-looking statements made in this Circular, refer to the Guidance and Forward-looking Statements section in the management's discussion and analysis of the Corporation's financial report for the fiscal year ended December 31, 2021, which may be viewed on SEDAR at www.sedar.com ("MD&A") . Given the impact of the changing circumstances surrounding the ongoing COVID-19 pandemic, including because of the emergence of variants, and the related response from the Corporation, governments (federal, provincial and municipal), regulatory authorities, businesses, suppliers, customers, counterparties and third-party service providers, there is inherently more uncertainty associated with the Corporation’s assumptions as compared to prior years.

Certain factors that could cause actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to, risks associated with general economic conditions, risks associated with our business environment (such as risks associated with the financial condition of business aircraft customers; trade policy; increased competition; political instability and force majeure events or global climate change), operational risks (such as risks related to developing new products and services; development of new business; order backlog; the continuing transition to a business aviation focused company; the certification of products and services; the execution of orders; pressures on cash flows and capital expenditures based on seasonality and cyclicality; execution of our strategy, productivity enhancements, operational efficiencies, restructuring and cost reduction initiatives; doing business with partners; product performance warranty and casualty claim losses; regulatory and legal proceedings; environmental, health and safety risks; dependence on certain customers, contracts and suppliers; supply chain risks; human resources including the global availability of a skilled workforce; reliance on information systems; reliance on and protection of intellectual property rights; reputation risks; risk management; tax matters; and adequacy of insurance coverage), financing risks (such as risks related to liquidity and access to capital markets; retirement benefit plan risk; exposure to credit risk; substantial debt and interest payment requirements; restrictive debt covenants; reliance on debt management and interest cost reduction strategies; and reliance on government support), market risks (such as foreign currency fluctuations; changing interest rates; increases in commodity prices; and inflation rate fluctuations). For more details, see the Risks and uncertainties section in Other in the MD&A of the Corporation's financial report for the fiscal year ended December 31, 2021. Any one or more of the foregoing factors may be exacerbated by the ongoing COVID-19 pandemic and may have a significantly more severe impact on the Corporation’s business, results of operations and financial condition than in the absence of such pandemic. As a result of the current COVID-19 pandemic, additional factors that could cause actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to: risks related to the impact and effects of the ongoing COVID-19 pandemic on economic conditions and financial markets and the resulting impact on our business, operations, capital resources, liquidity, financial condition, margins, prospects and results; uncertainty regarding the magnitude and length of economic disruption as a result of the COVID-19 pandemic and the resulting effects on the demand environment for our products and services; uncertainty regarding market and economic recovery in the aftermath of the COVID-19 pandemic; emergency measures and restrictions imposed by public health authorities or governments, fiscal and monetary policy responses by governments and financial institutions; disruptions to global supply chain, suppliers, customers, workforce, counterparties and third-party service providers; further disruptions to operations, orders and deliveries; technology, privacy, cyber security and reputational risks; and other unforeseen adverse events.

Readers are cautioned that the foregoing list of factors that may affect future growth, results and performance is not exhaustive and undue reliance should not be placed on forward-looking statements. Other risks and uncertainties not presently known to us or that we presently believe are not material could also cause actual results or events to differ materially from those expressed or implied in our forward-looking statements. The forward-looking statements set forth herein reflect management’s expectations as at the date of this report and are subject to change after such date. Unless otherwise required by applicable securities laws, we expressly disclaim any intention, and assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this Circular are expressly qualified by this cautionary statement.

SECTION 1 : VOTING INFORMATION

WHY IS BOMBARDIER HAVING A VIRTUAL MEETING?

This year again, to appropriately respond to the public health concerns and measures related to the spread of COVID-19, and to mitigate risks to the health and safety of our shareholders, employees, communities and other stakeholders, the Corporation is providing facilities to allow its shareholders to participate in a virtual meeting format whereby registered shareholders and duly appointed proxyholders may attend, vote and participate in the Meeting via live webcast. Attending the Meeting online enables registered shareholders and duly appointed proxyholders, including non-registered shareholders who have duly appointed themselves as proxyholder, to participate and vote at the Meeting and to ask questions, all in real time.

HOW WILL SHAREHOLDERS BE ABLE TO PARTICIPATE AT THE MEETING?

If you are a registered shareholder or duly appointed proxyholder, including a non-registered shareholder who has duly appointed himself or herself as proxyholder, you can attend the Meeting by joining the live webcast that will be available online at bombardier.com/en/agm2022 where you will be able to listen to the Meeting, ask questions and vote, all in real time, provided you are connected to the internet and comply with all of the requirements set out below under “How do I vote?”. Shareholders are strongly encouraged to vote their shares in advance of the Meeting by proxy or to vote virtually at the Meeting online.

If you are a non-registered shareholder who has not duly appointed himself or herself as proxyholder or if you are a guest, you will not be able to vote virtually, or ask questions, at the Meeting online. You may however listen to the Meeting online by logging in to the live webcast by following the instructions set out below under “I am a guest. How do I attend and participate at the Meeting?” If you are a non-registered (beneficial) shareholder and you wish to vote virtually at the Meeting online, see “How do I vote?” below.

WHO IS SOLICITING MY PROXY?

The management of Bombardier is soliciting your proxy for use at the Meeting. In addition to solicitation by mail, directors, members of management and employees or agents of the Corporation may solicit proxies by telephone, over the internet, in writing or in person. The Corporation may, in its sole discretion, engage a proxy solicitation agent of its choosing. If applicable, the entire cost of the solicitation will be borne by Bombardier.

The management of Bombardier strongly urges you to sign and return the form of proxy that you have received in order to ensure that your votes are exercised and accounted for at the Meeting.

WHAT WILL I BE VOTING ON?

Holders of the Class A shares and/or Class B subordinate voting shares of Bombardier will be voting on:

- the election of the directors of the Corporation;
- the appointment of Ernst & Young LLP, chartered professional accountants, (“Ernst & Young”) as the independent auditors of the Corporation;
- the adoption of a special resolution (the "Special Resolution/Share Consolidation") authorizing an amendment to the Restated Articles of Incorporation to consolidate, if and when the Board of Directors shall deem appropriate to do so, but in any event no later than May 5, 2023, to consolidate the Class A shares, issued and unissued, and Class B subordinate voting shares, issued and unissued, at the share consolidation ratio to be determined by the Board of Directors but within the range of one post-consolidation Class A share or Class B subordinate voting shares, as the case may be, for every 10 to 30 pre-consolidation Class A shares or Class B subordinate voting shares, as the case may be (the "Share Consolidation") (see pages 14 to 20);
- the adoption of a non-binding advisory resolution on Bombardier’s approach to executive compensation; and
- the shareholder proposals set out in Exhibit "C" to this Circular.

HOW WILL THESE MATTERS BE DECIDED AT THE MEETING?

A simple majority of the votes cast, by proxy or at the Meeting online, by the holders of Class A shares and by the holders of Class B subordinate voting shares, voting together, will constitute approval of each of the matters specified in this Circular, except in respect of the Special Resolution/Share Consolidation which will have to be approved by at least two-thirds ($^2/_3$) of the votes cast, by proxy at the Meeting online, by the holders of Class A shares and by the holders of Class B subordinate voting shares, voting together.

HOW MANY VOTES DO I HAVE?

The Class B subordinate voting shares of Bombardier are restricted securities (within the meaning of the relevant Canadian regulations respecting securities) in that they do not carry equal voting rights as compared with the Class A shares.

In the event of a ballot, each Class A share carries the right to ten votes and each Class B subordinate voting share carries the right to one vote. In the aggregate, all of the voting rights associated with the Class B subordinate voting shares represented, as at

March 7, 2022 (the "Record Date"), 40.87% of the voting rights attached to all of the issued and outstanding voting shares of Bombardier.

Each Class A share is convertible, at any time, at the option of the holder, into one Class B subordinate voting share. Each Class B subordinate voting share will become convertible into one Class A share in the event that the Majority Holder (as defined in the Restated Articles of Incorporation), namely the Bombardier family, accepts a purchase offer for Class A shares or in the event that the Majority Holder ceases to hold more than 50% of the issued and outstanding Class A shares.

The holders of Class A shares and the holders of Class B subordinate voting shares, whose names appear on the list of shareholders prepared as of the close of business at 5:00 p.m. (Montréal time) on the Record Date will be entitled to vote at the Meeting and any adjournment thereof if present or represented by proxy.

HOW MANY SHARES ARE ENTITLED TO BE VOTED?

As at the Record Date, there were 308,734,229 Class A shares and 2,133,526,542 Class B subordinate voting shares of Bombardier issued and outstanding.

To the knowledge of the directors and executive officers of the Corporation, the only persons who, as at the Record Date beneficially own or exercise control or direction directly or indirectly over shares carrying 10% or more of the voting rights attached to any class of its issued and outstanding voting shares were Janine Bombardier, Claire Bombardier Beaudoin, Huguette Bombardier Fontaine and J.R. André Bombardier (collectively, the “Principal Shareholders”). These four persons beneficially owned or exercised control or direction over, directly or indirectly, 249,449,910 Class A shares and 30,211,319 Class B subordinate voting shares, representing in the aggregate 80.80% of the issued and outstanding Class A shares and 1.42% of the issued and outstanding Class B subordinate voting shares of the Corporation and 48.36% of all the voting rights attached to all of its issued and outstanding voting shares, as shown in the table below:

	Class A Shares		Class B Subordinate Voting Shares	
NAME	**Number**	**% of Class**	**Number**	**% of Class**
Janine Bombardier	61,973,491	20.07%	7,110,137	0.33%
Claire Bombardier Beaudoin	61,373,490(1)	19.88%	8,695,136(2)	0.41%
Huguette Bombardier Fontaine	60,701,887	19.66%	7,070,136	0.33%
J. R. André Bombardier	65,401,042	21.18%	7,335,910	0.34%

(1) Includes 500,000 Class A shares over which Claire Bombardier Beaudoin exercises control jointly with her husband, Laurent Beaudoin, through Beaudier Inc., a portfolio holding company of the Beaudoin family which is controlled by Laurent Beaudoin and Claire Bombardier Beaudoin, through holding companies which they control.

(2) Claire Bombardier Beaudoin exercises control over these shares jointly with her husband, Laurent Beaudoin, through Beaudier Inc., a portfolio holding company of the Beaudoin family which is controlled by Laurent Beaudoin and Claire Bombardier Beaudoin, through holding companies which they control.

In addition, as at the Record Date, members of the immediate family of the Principal Shareholders beneficially own, or exercise control or direction over, directly or indirectly, 12,413,275 additional Class A shares and 5,959,226 additional Class B subordinate voting shares, representing 0.75% of all the Class A shares and Class B subordinate voting shares issued and outstanding and 2.49% of all the voting rights attached to all the shares of the Corporation.

HOW DO I VOTE?

REGISTERED SHAREHOLDERS – You are a registered shareholder when your name appears on your share certificate. Your proxy form tells you whether you are a registered shareholder.

Option 1 – By proxy (proxy form)

You may vote in the following manners:

	Internet	Go to www.investorvote.com and follow the instructions.
	Telephone	Call 1 866 732 VOTE (8683) (Canada and the United States) or +1 312 588 4290 (other countries) and follow the instructions. If you use this method you can only appoint, as your proxyholder, the executive officers of the Corporation named on your proxy form.
	Fax	Return your completed proxy form by fax at 1 866 249 7775 (Canada and the United States) and at +1 416 263 9524 (other countries).
	Mail	Return your completed proxy form in the postage pre-paid return envelope provided.

Computershare, Bombardier's transfer agent, must have received your proxy form or you must have voted by internet or telephone no later than 4:00 p.m. (Montréal time) on May 3, 2022. See “Appointment of a Proxyholder” below for the complete procedure to follow to appoint another person to act as your proxyholder.

Option 2 - Virtually at the Meeting online

1. Log in at bombardier.com/en/agm2022 at least 15 minutes before the Meeting starts
2. Click on "I have a control number"
3. Enter your 15-digit control number (on your proxy form)
4. Enter the password: bombardier2022 (case sensitive)
5. Follow the instructions to view the Meeting and vote when prompted

You have to be connected to the internet at all times in order to be able to vote when solicited – it is your responsibility to make sure you stay connected for the entire Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.

NON-REGISTERED SHAREHOLDERS – You are a non-registered shareholder when your shares are held in the name of an intermediary, usually a bank, trust company, security dealer or broker or other financial institution. When you receive a voting instruction form, this tells you that you are a non-registered shareholder.

Option 1 – By proxy (voting instruction form)

You may vote in the following manners:

Internet	Go to www.ProxyVote.com and follow the instructions.
Telephone	Call 1 800 474 7493 (English) or 1 800 474 7501 (French) and follow the instructions. If you use this method you can only appoint, as your proxyholder, the executive officers of the Corporation named on your voting instruction form.
Mail	Return your completed voting instruction form in the postage pre-paid return envelope provided.

Your intermediary is required to seek your voting instructions in advance of the Meeting. You will have received from your intermediary a package of information with respect to the Meeting, including either a proxy form or a voting instruction form. Each intermediary has its own signature and return instructions. It is important that you comply with these instructions if you want the voting rights attached to your shares to be exercised. If you vote by Internet or telephone, you must do so no later than 4:00 p.m. (Montréal time) on May 3, 2022.

Bombardier intends to pay for proximate intermediaries to send the proxy-related materials to objecting beneficial owners.

Option 2 - Virtually at the Meeting online

If you wish to vote virtually at the Meeting online, you have to follow the complete procedure set out under "Appointment of a Proxyholder" below to appoint yourself to act as your proxyholder. If you have not duly appointed yourself as proxyholder, you will not be able to vote at the Meeting online but will be able to participate as a guest. That is because Bombardier and/or Computershare do not have a record of the names of the non-registered shareholders of the Corporation.

1. Appoint yourself as proxyholder by following the complete procedure set out under "Appointment of a Proxyholder" below
2. Log in at bombardier.com/en/agm2022 at least 15 minutes before the Meeting starts
3. Click on "I have a control number"
4. Enter your 4-alpha character control code (provided by Computershare the day before the Meeting)
5. Enter the password: bombardier2022 (case sensitive)
6. Follow the instructions to view the Meeting and vote when prompted

You have to be connected to the internet at all times in order to be able to vote when solicited – it is your responsibility to make sure you stay connected for the entire Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.

SHAREHOLDERS (EMPLOYEES) UNDER THE EMPLOYEE SHARE PURCHASE PLAN ("ESPP")

If you are an employee of Bombardier and you own shares under the ESPP, your shares are registered in the name of Computershare Trust Company of Canada, the administrator of the ESPP, until such time as the shares are withdrawn from the ESPP pursuant to its terms and conditions.

Option 1 – By proxy (voting instruction form)

You may vote in the following manners:

Internet	Go to www.investorvote.com and follow the instructions.
Telephone	Call 1 866 732 VOTE (8683) (Canada and the United States) or +1 312 588 4290 (other countries) and follow the instructions.
Fax	Return your completed proxy form or voting instruction form by fax at 1 866 249 7775 (Canada and the United States) and at +1 416 263 9524 (other countries).
Mail	Return your completed proxy form or voting instruction form in the postage pre-paid return envelope provided.

Computershare must have received your proxy form or you must have voted by internet or telephone no later than 4:00 p.m. (Montréal time) on May 3, 2022. See “Appointment of a Proxyholder” below for the complete procedure to follow to appoint another person to act as your proxyholder.

Option 2 - Virtually at the Meeting online

If you wish to vote virtually at the Meeting online, you have to follow the complete procedure set out under “Appointment of a Proxyholder” below to appoint yourself to act as your proxyholder. If you have not duly appointed yourself as proxyholder, you will not be able to vote at the Meeting online but will be able to participate as a guest.

1. Appoint yourself as proxyholder by following the complete procedure set out under “Appointment of a Proxyholder” below
2. Log in at bombardier.com/en/agm2022 at least 15 minutes before the Meeting starts
3. Click on “I have a control number”
4. Enter your 4-alpha character control code (provided by Computershare the day before the Meeting)
5. Enter the password: bombardier2022 (case sensitive)
6. Follow the instructions to view the Meeting and vote when prompted

You have to be connected to the internet at all times in order to be able to vote when solicited – it is your responsibility to make sure you stay connected for the entire Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.

SHAREHOLDERS (EMPLOYEES) UNDER THE SHARE INCENTIVE PLAN GOVERNED BY ENGLISH LAW (“SIP”)

If you are a participating employee of the SIP and you hold shares under the SIP, you must submit your voting instructions through Computershare EES Trustees Limited, the administrator of the SIP in the United Kingdom, until such time as the shares are withdrawn from the SIP pursuant to its terms and conditions.

Computershare EES Trustees Limited will seek your voting instructions in advance of the Meeting. Computershare EES Trustees Limited has its own instructions as to how you must submit your vote. It is important that you comply with these instructions if you want the voting rights attached to your shares to be exercised. If you have any questions relating to the above, please contact the Computershare Helpline at 0370 707 1484.

If you wish to vote virtually at the Meeting online, you have to insert your own name in the space provided on the form of proxy or voting instruction form you have received from Computershare EES Trustees Limited and follow the procedure below. See “Appointment of a Proxyholder” below for the complete procedure to follow to appoint another person to act as your proxyholder.

1. Appoint yourself as proxyholder by following the complete procedure set out under “Appointment of a Proxyholder” below.
2. Log in at bombardier.com/en/agm2022 at least 15 minutes before the Meeting starts
3. Click on “I have a control number”
4. Enter your 4-alpha character control code
5. Enter the password: bombardier2022 (case sensitive)
6. Follow the instructions to view the Meeting and vote when prompted

You have to be connected to the internet at all times in order to be able to vote when solicited – it is your responsibility to make sure you stay connected for the entire Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.

HOW WILL MY SHARES BE VOTED?

You have the choice to vote FOR, AGAINST or WITHHOLD, depending on the item to be voted on.

If you sign the proxy form or voting instruction form that you have received, you authorize Pierre Beaudoin and Éric Martel, respectively Chairman of the Board of Directors and President and Chief Executive Officer, as well as directors of Bombardier (or Computershare Trust Company of Canada in the case of shares held under the ESPP) to vote your shares for you at the Meeting according to your instructions. Unless contrary instructions are provided, or if you return your proxy form or voting instruction form without indicating how you want to vote your shares, the voting rights attached to Class A shares and/or Class B subordinate voting shares represented by proxies received by the management of the Corporation will be voted:

FOR the election of all the nominees proposed as directors;

FOR the appointment of Ernst & Young LLP, chartered professional accountants, as the independent auditors of the Corporation and FOR the fixing of their remuneration by the directors of the Corporation;

FOR the adoption of the Special Resolution/Share Consolidation;

FOR the adoption of a non-binding advisory resolution on Bombardier's approach to executive compensation; and

AGAINST all shareholder proposals set out in Exihibit "C".

However, you may choose another person to act as your proxyholder, including someone who is not a holder of shares of the Corporation, by striking out the names printed on the proxy form or voting instruction form and inserting another person's name in the blank space provided, or by completing another proper form of proxy. See "Appointment of a Proxyholder" below for the complete procedure to follow to appoint another person to act as your proxyholder. On the proxy form or voting instruction form, you may indicate either how you want your proxyholder to vote your shares, or you can let your proxyholder decide for you. If you have not specified on the proxy form or voting instruction form how you want your shares to be voted on a particular matter, then your proxyholder can vote your shares as they see fit. The proxy form or voting instruction form that you have received gives authority to your proxyholder to use their discretion in voting on amendments to matters identified in the notice and on any other items that may properly come before the Meeting or any adjournment.

APPOINTMENT OF A PROXYHOLDER

The following applies to shareholders who wish to appoint someone as their proxyholder other than the management appointed proxyholders named in the form of proxy or voting instruction form. This includes non-registered shareholders who wish to appoint themselves as proxyholder to participate or vote at the Meeting online.

Shareholders who wish to appoint someone other than the management appointed proxyholders as their proxyholder to participate at the Meeting as their proxy and vote their Class A shares and Class B subordinate voting shares MUST submit their form of proxy or voting instruction form, as applicable, appointing that person as proxyholder AND register that proxyholder online, as described below. Registering your proxyholder online is an additional step to be completed AFTER you have submitted your form of proxy or voting instruction form. Failure to register your proxyholder online will result in the proxyholder not receiving a 4-alpha character control code that is required to vote at the Meeting.

Step 1: Submit your form of proxy or voting instruction form: To appoint someone other than the management appointed proxyholders as proxyholder, insert that person's name in the blank space provided in the form of proxy or voting instruction form and follow the instructions for submitting such form of proxy or voting instruction form. This must be completed before registering such proxyholder online, which is an additional step to be completed once you have submitted your form of proxy or voting instruction form.

If you are a non-registered shareholder and wish to vote at the Meeting, you have to insert your own name in the space provided on the voting instruction form sent to you by your intermediary (or Computershare Trust Company of Canada or Computershare EES Trustees Limited, as applicable, in the case of shares held under the ESPP or SIP, respectively), follow all of the applicable instructions provided by your intermediary AND register yourself as your proxyholder online, as described below. By doing so, you are instructing your intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your intermediary.

Step 2: Register your proxyholder online: To register a proxyholder (including non-registered shareholders who appoint themselves as proxyholder), shareholders must visit http://www.computershare.com/Bombardier by 4:00 p.m. (Montreal time) on May 3, 2022 and provide Computershare with the required proxyholder contact information so that Computershare may provide the proxyholder with a control code via email. Without a control code, proxyholders will not be able to vote at the Meeting and will only be able to participate as a guest virtually at the Meeting online.

A duly appointed proxyholder must attend the Meeting virtually to vote your shares. If the proxyholder attends the Meeting online, they will be able to vote virtually at the Meeting online using the control code provided by Computershare after they have been duly registered.

WHAT IF I WANT TO REVOKE MY PROXY OR VOTING INSTRUCTION?

If you are a registered shareholder, you may revoke your proxy by completing a proxy bearing a later date and delivering it to Computershare or by stating clearly, in writing, that you wish to revoke your proxy and by delivering this written statement to Computershare, no later than the last business day before the day of the Meeting or any adjournment thereof.

If you are a non-registered shareholder, you should contact your intermediary to find out whether it is possible to change your voting instructions and what procedure to follow. Intermediaries may set deadlines for the receipt of revocation notices that are farther in advance of the Meeting than those set out above and, accordingly, any such revocation should be completed well in advance of the deadline prescribed in the form of proxy or voting instruction form to ensure it is given effect at the Meeting.

In addition, if you have followed the process for registered shareholders or non-registered shareholders, as applicable, for attending and voting virtually at the Meeting online, voting at the Meeting online will revoke any previous proxy.

IS MY VOTE CONFIDENTIAL?

Computershare preserves the confidentiality of individual shareholder votes, except (i) where a shareholder clearly intends to communicate their individual position to the management of Bombardier; and (ii) as necessary in order to comply with legal requirements.

ASKING QUESTIONS AT THE MEETING

Questions for the Meeting may be submitted either before the meeting through investorvote.com (refer to your control number as shown on your proxy form, as applicable) or during the meeting by shareholders participating via the live webcast. Only registered shareholders may submit questions before the Meeting, but registered shareholders and duly appointed proxyholders may submit questions during the Meeting. The chair of the Meeting and other members of management present will answer questions relating to matters to be voted on before a vote is held on each matter, if applicable. General questions will be addressed towards the end of the Meeting during a question and answer period. So that as many questions as possible are answered, shareholders and proxyholders are asked to be brief and concise and to address only one topic per question. Questions from multiple shareholders on the same topic or that are otherwise related may be grouped, summarized and answered together.

All shareholder questions are welcome. However, the Corporation does not intend to address questions that:

- are irrelevant to the business of the meeting or to Bombardier's operations;
- are related to non-public information about Bombardier;
- are repetitious or have already been asked by other shareholders;
- constitute derogatory references to individuals or that are otherwise offensive to third parties;
- are related to personal grievances;
- are in furtherance of a shareholder's personal or business interest; or
- are out of order or not otherwise appropriate as determined by the chair or secretary of the Meeting in their reasonable judgment.

The chair of the Meeting has broad authority to conduct the meeting in an orderly manner. To ensure the Meeting is conducted in a manner that is fair to all shareholders, the chair may exercise broad discretion with respect to, for example, the order in which questions are asked and the amount of time devoted to any one question. Any questions pertinent to the Meeting that cannot be answered during the Meeting due to time constraints will be answered and posted on our website at bombardier.com/en/agm2022. Posted questions may be summarized or grouped together. The questions and answers will be available as soon as practical after the meeting and will remain available until one week after posting.

I AM A GUEST. HOW DO I ATTEND AND PARTICIPATE AT THE MEETING?

Guests, including non-registered shareholders who have not duly appointed themselves as proxyholder may log in to the Meeting online as set out below. Guests can listen to the Meeting but are not able to vote or ask questions.

Log in online at bombardier.com/en/agm2022. We recommend that you log in at least fifteen minutes before the Meeting starts.

Click "Guest" and then complete the online form.

If you attend the Meeting online, it is important that you are connected to the Internet at all times during the Meeting. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.

HOW DO I COMMUNICATE WITH COMPUTERSHARE?

You can communicate with Computershare by mail at the following address:

Computershare Investor Services Inc.
100 University Avenue
8th Floor
Toronto, Ontario, Canada M5J 2Y1
or by telephone at: 1 800 564 6253 (Canada and United States) or +1 514 982 7555 (other countries).

RECEIPT OF FINANCIAL STATEMENTS

The consolidated financial statements of Bombardier for the financial year ended December 31, 2021 and the auditors' report thereon are included in the 2021 Financial Report of Bombardier. The 2021 Financial Report was mailed to shareholders who requested it.

ELECTION OF THE DIRECTORS OF BOMBARDIER

The Restated Articles of Incorporation provide that its Board of Directors shall consist of not less than 5 and not more than 20 directors. Its directors are elected annually.

It is proposed that 13 directors be elected until the next annual meeting of the shareholders of Bombardier.

The term of office of each director so elected expires upon the election of their successor unless they shall resign or their office shall become vacant by death, removal or other cause.

The current Board of Directors proposes that Ji-Xun Foo be elected as a new director of the Corporation for the ensuing year.

Except where authority to vote on the election of directors is withheld, the persons named in the accompanying proxy form or voting instruction form, as the case may be, will vote for the election of the 13 nominees whose names are hereinafter set forth, all of whom are currently directors of Bombardier, other than Ji-Xun Foo.

It is not contemplated that any of the nominees will be unable, or for any reason will become unwilling, to serve as a director. However, if that should occur for any reason prior to the election, the persons named in the form of proxy reserve the right to vote for another nominee in their discretion, unless a shareholder has specified in the form of proxy that their shares are to be withheld from voting on the election of directors.

Information regarding the nominees relating to their independence, year first elected or appointed as a director, previous year's voting results, age, municipality and country of residence, principal occupation, main areas of expertise, and committee memberships (Audit Committee, Human Resources and Compensation Committee ("HRCC") and Corporate Governance and Nominating Committee ("CGNC")), is provided in the biographical charts below. Also indicated for each nominee are the number of Class A shares and/or Class B subordinate voting shares beneficially owned, or controlled or directed, directly or indirectly, by the nominee, and the number of Deferred Stock Units held by the nominee.

PIERRE BEAUDOIN[A][B]

Chairman of the Board of Directors
Westmount, Québec, Canada
Age: 59
Director since 2004
Not independent
Votes in favour at previous annual meeting: 98.59%

	Class A Shares	Class B Subordinate Voting Shares	Deferred Stock Units
December 31, 2021	**512,859**	**952,761**	**—**
December 31, 2020	512,859	952,761	—
Change	—	—	—

Pierre Beaudoin joined the Marine Products division of Bombardier in 1985. In October 1990, he was appointed Vice President, Product Development of the Sea-Doo/Ski-Doo division. In 1992, he was appointed Executive Vice President of the Sea-Doo/Ski-Doo division of Bombardier of which he became its President in January 1994. In April 1996, he was promoted to President and Chief Operating Officer of Bombardier Recreational Products. In February 2001, he was appointed President of Bombardier Aerospace, Business Aircraft and he became President and Chief Operating Officer of Bombardier Aerospace in October of the same year. On December 13, 2004, in addition to his duties as President and Chief Operating Officer of Bombardier Aerospace, he was appointed Executive Vice President of Bombardier and he also then became a member of the Board of Directors of Bombardier. On June 4, 2008, he was appointed President and Chief Executive Officer of Bombardier. He became Executive Chairman of the Board of Directors in February 2015 and Chairman of the Board of Directors in July 2017. He is a member of the Board of Directors of Power Corporation of Canada and BRP Inc.

JOANNE BISSONNETTE[C]

Corporate Director
Montréal, Québec, Canada
Age: 60
Director since 2012
Not independent
Votes in favour at previous annual meeting: 98.88%

	Class A Shares	Class B Subordinate Voting Shares	Deferred Stock Units[D]
December 31, 2021	**—**	**5,824**	**553,889**
December 31, 2020	—	5,824	476,199
Change	—	—	77,690

Joanne Bissonnette is a graduate of the Directors Education Program which was jointly developed by the Institute of Corporate Directors and the University of Toronto's Rotman School of Management. She obtained a Bachelor of International Commerce from the University of Ottawa in 1987. From 1987 until 1989 she was Liaison Officer and then Communications Officer at the Canadian Department of External Affairs and held positions in the Human Resources and Public Relations departments at Bombardier Aerospace between 1989 and 1994. She is a Corporate Director for various private entities.

CHARLES BOMBARDIER[E]

Corporate Director
Montréal, Québec, Canada
Age: 48
Director since: 2019
Not independent
Votes in favour at previous annual meeting: 98.77%

	Class A Shares	Class B Subordinate Voting Shares	Deferred Stock Units[D]
December 31, 2021	**—**	**16**	**342,263**
December 31, 2020	—	16	186,881
Change	—	—	155,382

For over twenty years, Charles Bombardier has been President of Gestion Charles Bombardier Inc. as well as other Canadian private entities. Between 2018 and 2019, he also worked as senior consultant for the International Civil Aviation Organization (ICAO) (a specialized agency of the United Nations). In addition, since November 2016, Mr. Bombardier has been conducting research at the Université de Sherbrooke, where he develops neurofeedback systems applied to new product development. Mr. Bombardier is a Canadian engineer and holds a Bachelor’s and a Master’s of science degrees from the École de Technologie Supérieure and a certificate in board governance from Université Laval. He is also a member of the Board of Directors of BRP Inc.

DIANE FONTAINE[F]

Senior Portfolio Manager and Investment Advisor
RBC Dominion Securities Inc.
Montréal, Québec, Canada
Age: 58
Director since 2019
Not independent
Votes in favour at previous annual meeting: 98.87%

	Class A Shares	Class B Subordinate Voting Shares	Deferred Stock Units[D]
December 31, 2021	**—**	**—**	**342,263**
December 31, 2020	—	—	186,881
Change	—	—	155,382

Diane Fontaine has been with RBC Dominion Securities Inc. since 1986 and has assumed positions of increasing responsibility including Senior Portfolio Manager and Investment Advisor. In 2000, she received the title of Fellow of the Canadian Securities Institute. Ms. Fontaine is a graduate of the Directors Education Program which was jointly developed by the Institute of Corporate Directors and the University of Toronto’s Rotman School of Management. She obtained a Bachelor of Business Administration from the University of Sherbrooke in 1985.

JI-XUN FOO

Managing Director, GGV Capital
Shanghai, China
Age: 54
Director since: N/A
(Mr. Foo is a new candidate proposed for election as a director)
Independent
Votes in favour at previous annual meeting: N/A

	Class A Shares	Class B Subordinate Voting Shares	Deferred Stock Units[D]
December 31, 2021	**—**	**—**	**—**
December 31, 2020	—	—	—
Change	—	—	—

Ji-Xun Foo has been Managing Director at GGV Capital, a global venture capital firm, since January 2006. Prior to joining GGV Capital, he held positions at Draper Fisher Jurvetson, National Science and Technology Board of Singapore and Hewlett Packard. He holds a Bachelor's degree in Mechanical Engineering and a Master's of Science in Management of Technology, both from the National University of Singapore. He is a member of the Board of Directors of Baidu and XPeng, as well as several private entities.

DIANE GIARD

Corporate Director
Bromont, Québec, Canada
Age: 61
Director since 2017
Member of:
the Audit Committee (Chair)
the CGNC
Independent
Votes in favour at previous annual meeting: 98.10%

	Class A Shares	Class B Subordinate Voting Shares	Deferred Stock Units[D]
December 31, 2021	**—**	**—**	**501,172**
December 31, 2020	—	—	321,511
Change	—	—	179,661

Diane Giard was, between March 2017 until her retirement in June 2018, the Executive Vice President – Personal – Commercial Banking and Marketing of National Bank of Canada. She joined National Bank of Canada in 2011 as Executive Vice President – Marketing and less than a year later became responsible for Personal & Commercial Banking. Ms. Giard has more than 30 years’ experience in the banking industry, including several years at the Bank of Nova Scotia (Scotiabank), which she joined in 1982 and where she held various executive positions of increasing responsibility including Senior Vice President of Québec & Eastern Ontario Region. Ms. Giard has a Bachelor’s degree in Economics from Université de Montréal and an MBA from Université du Québec à Montréal. She is a member of the Board of Directors of TFI International Inc. and of Equitable Bank.

ANTHONY R. GRAHAM

Chairman, President and Chief Executive Officer, Sumarria Inc., an investment holding company
Toronto, Ontario, Canada
Age: 65
Director since: 2019
Member of:
the Audit Committee
the HRCC (Chair)
Independent
Votes in favour at previous annual meeting: 98.13%

	Class A Shares	Class B Subordinate Voting Shares	Deferred Stock Units(D)
December 31, 2021	**—**	**—**	**365,412**
December 31, 2020	—	—	198,602
Change	—	—	166,810

Anthony R. Graham is Chairman, President and Chief Executive Officer of Sumarria Inc. He was formerly a Senior Officer at Wittington Investments, Limited, the principal holding company of the Weston-Loblaw Group, of which he was President from 2000 to 2014 and Vice Chairman from 2014 to 2019. Prior to joining Wittington Investments, Limited, he held senior positions in Canada and the United Kingdom with National Bank Financial Inc. (formerly Lévesque Beaubien Geoffrion Inc.), a Montréal-based investment dealer. Mr. Graham serves on the Board of Directors of Power Corporation of Canada as well as a number of private companies.

AUGUST W. HENNINGSEN

Corporate Director
Hamburg, Germany
Age: 71
Director since 2016
Member of:
the Audit Committee
Independent
Votes in favour at previous annual meeting: 99.26%

	Class A Shares	Class B Subordinate Voting Shares	Deferred Stock Units(D)
December 31, 2021	**—**	**26,500**	**363,567**
December 31, 2020	—	26,500	285,877
Change	—	—	77,690

August W. Henningsen was Chief Executive Officer of Lufthansa Technik AG from April 2000 until his retirement in April 2015. Prior to that, he had been General Manager and Chief Executive Officer of Ameco Beijing from August 1997 until March 2001. He began his career at Lufthansa in 1979 and held numerous positions of increasing responsibility in the Lufthansa group until July 1997. He holds a Master’s degree in Mechanical and Aeronautical Engineering from the Technical University of Braunschweig. Mr. Henningsen is the Chairman of the Board of Directors of Hamburg Airport and also sits on the Board of Directors of Lufthansa Technik AG.

ÉRIC MARTEL

President and Chief Executive Officer
Mont-Royal, Québec, Canada
Age: 54
Director since: 2020
Not independent
Votes in favour at previous annual meeting: 99.12%

	Class A Shares	Class B Subordinate Voting Shares	Deferred Stock Units
December 31, 2021	**—**	**100,000**	**—**
December 31, 2020	—	—	—
Change	—	100,000	—

Éric Martel has been President and Chief Executive Officer of Bombardier since effective April 6, 2020. Prior to his appointment, he was President and Chief Executive Officer of Hydro-Québec since July 2015. From 2002 until 2015, he held positions of increasing responsibility within Bombardier, including President of Bombardier Aerospace Services between 2011 and 2013 and President of Bombardier Business Aircraft between January 2014 and May 2015. He holds a Bachelor's degree in electrical engineering from Université de Laval and an honorary doctorate from Concordia University.

DOUGLAS R. OBERHELMAN

Corporate Director
Edwards, Illinois, United States
Age: 69
Director since 2017
Lead Director
Member of:
the CGNC (Chair)
the HRCC
Independent
Votes in favour at previous annual meeting: 97.71%

	Class A Shares	Class B Subordinate Voting Shares	Deferred Stock Units(D)
December 31, 2021	**—**	**100,000**	**323,865**
December 31, 2020	—	100,000	246,175
Change	—	—	77,690

Douglas (Doug) R. Oberhelman was, at the time of his retirement in March 2017, Executive Chairman of Caterpillar, of which he had been the Chief Executive Officer from the beginning of 2010 until the end of 2016. During his 41 years at Caterpillar, Mr. Oberhelman held various executive positions of increasing responsibility, including Vice President and Chief Financial Officer from 1995 to 2002 and Group President from 2002 to 2010. He serves on the Board of Directors of Peter Kiewit Sons’, Inc. He is also Vice President of the Wetlands America Trust and Chairman of the Board of trustees for the Easter Seals Foundation of Central Illinois.

MELINDA ROGERS-HIXON

Deputy Chair, Rogers Communications Inc.
Toronto, Ontario, Canada
Age: 51
Director since: 2021
Member of:
the CGNC
the HRCC
Independent
Votes in favour at previous annual meeting: 99.68%

	Class A Shares	Class B Subordinate Voting Shares	Deferred Stock Units(D)
December 31, 2021	**—**	**—**	**98,688**
December 31, 2020	—	—	—
Change	—	—	98,688

Melinda Rogers-Hixon is a member of the Board of Directors of Rogers Communications Inc. since January 2002 and Deputy Chair since 2018, as well as Vice Chair of the Rogers Control Trust since 2008. Ms. Rogers-Hixon has held progressively senior roles at Rogers Communications Inc. since joining the company in 2000. She was founder of Rogers Venture Partners from 2011 to 2018 and served as Senior Vice President, Strategy and Development of Rogers Communications Inc. from 2006 to 2014. Ms. Rogers-Hixon serves on the board of Maple Leaf Sports and Entertainment and is Chair of Jays Care Foundation. Ms. Rogers-Hixon holds a Bachelor's degree from the University of Western Ontario and an MBA from Joseph L. Rotman School of Management at the University of Toronto.

ERIC SPRUNK

Corporate Director
Seattle, Washington, United States
Age: 57
Director Since: 2021
Member of:
the Audit Committee
Independent
Votes in favour at previous annual meeting: 99.68%

	Class A Shares	Class B Subordinate Voting Shares	Deferred Stock Units(D)
December 31, 2021	**—**	**—**	**95,256**
December 31, 2020	—	—	—
Change	—	—	95,256

Eric Sprunk had been, at the time of his retirement in August 2020, Chief Operating Officer of Nike, Inc. since 2013. During his 27 years at Nike, Mr. Sprunk held various executive positions of increasing responsibility, including Executive Vice President, Global Product and Merchandising from 2008 to 2013 and Executive Vice President and General Manager, Global Footwear from 2001 to 2008. He is a member of the Board of Directors of General Mills, where he also chairs the Public Responsibility Committee and is a member of the Audit Committee. Mr. Sprunk has a Bachelor's degree in Business Administration and Accounting from the University of Montana.

ANTONY N. TYLER

Corporate Director
Pokfulam, Hong Kong
Age: 66
Director since 2017
Member of the:
the CGNC
the HRCC
Independent
Votes in favour at previous annual meeting: 97.93%

	Class A Shares	Class B Subordinate Voting Shares	Deferred Stock Units(D)
December 31, 2021	**—**	**—**	**278,739**
December 31, 2020	—	—	201,049
Change	—	—	77,690

Antony N. Tyler was Director General and Chief Executive Officer of the International Air Transport Association, the trade association of the world's airlines, from 2011 to 2016. Prior to this, he spent his career with Cathay Pacific Airways Limited of which he was Chief Executive Officer from 2007 to 2011. He is a member of the Board of Directors of BOC Aviation Limited, a global aircraft operating leasing company, Qantas Airways Limited and Trans Maldivian Airways (Pvt) Ltd. and is a Fellow of the Royal Aeronautical Society.

NOTES

(*) The information appearing on pages 9 to 12 of this Circular is determined as at December 31, 2021 and December 31, 2020, respectively.

(*) No Series 2, Series 3 or Series 4 Preferred Shares are beneficially owned by a nominee or are subject to his or her control or direction.

(A) Although Pierre Beaudoin does not hold any Director Deferred Stock Units, as at December 31, 2021, he held the number of Stock Options, Performance Share Units and Deferred Stock Units disclosed in Section 3 of this Circular. Please refer to the tables "Outstanding Share-Based Awards and Option-Based Awards for Pierre Beaudoin" and "Vested DSUs Total Holding Table for Pierre Beaudoin" below for details.

(B) Claire Bombardier Beaudoin, mother of Pierre Beaudoin, exercises, through holding corporations which she controls, control or direction over 61,373,490 Class A shares, which include 500,000 Class A shares over which Claire Bombardier Beaudoin exercises controls jointly with her husband, Laurent Beaudoin, through Beaudier Inc., a holding company of the Beaudoin family which is controlled by Laurent Beaudoin and Claire Bombardier Beaudoin, through holding companies which they control. Claire Bombardier Beaudoin also exercises control jointly with her husband, Laurent Beaudoin, through Beaudier Inc. over 8,695,136 Class B subordinate voting shares.

(C) Janine Bombardier, mother of Joanne Bissonnette, exercises, through holding corporations which she controls, control or direction over 61,973,491 Class A shares and 7,110,137 Class B subordinate voting shares.

(D) "Deferred Stock Units" refer to the Director Deferred Stock Units credited to each of the non-executive directors pursuant to the Director Deferred Stock Unit Plan which is more fully explained in Section 3 of this Circular. The number of Deferred Stock Units for each director has been determined as at December 31, 2021 and December 31, 2020, respectively, except for the Deferred Stock Units that were credited in payment of the applicable portion of the Board retainer and, if applicable, additional retainer and travel fees earned for the quarter ended on December 31, 2021, the number of which was determined at January 4, 2022.

(E) J. R. André Bombardier, father of Charles Bombardier, exercises, through holding corporations which he controls, control or direction over 65,401,042 Class A shares and 7,335,910 Class B subordinate voting shares.

(F) Huguette Bombardier Fontaine, mother of Diane Fontaine, exercises, through holding corporations which she controls, control or direction over 60,701,887 Class A shares and 7,070,136 Class B subordinate voting shares.

To the knowledge of Bombardier and based upon information provided by the nominees for election to the Board of Directors, no such nominee:

a) is, as at the date of this Circular, or has been, within ten years before the date of this Circular, a director or executive officer of any company (including Bombardier) that:

    (i) was the subject, while such person was acting in that capacity, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

    (ii) was subject to an event that occurred while that person was acting in such capacity and which resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

    (iii) while such 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; or

b) has, within the ten years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become 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 proposed director.

APPOINTMENT OF THE INDEPENDENT AUDITORS OF BOMBARDIER AND AUDIT COMMITTEE INFORMATION

APPOINTMENT OF THE INDEPENDENT AUDITORS

Bombardier proposes that Ernst & Young be appointed as its independent auditors and that the directors of Bombardier be authorized to fix the remuneration of the independent auditors.

Except where authority to vote on the appointment of the independent auditors of the Corporation is withheld, the persons named in the accompanying form of proxy or voting instruction form, as the case may be, will vote FOR the appointment of Ernst & Young LLP, chartered professional accountants, and FOR their remuneration to be fixed by the directors of the Corporation.

AUDIT COMMITTEE INFORMATION

Diane Giard acts as Chair of the Audit Committee of Bombardier and Anthony R. Graham, August W. Henningsen and Eric Sprunk are its other members. Each of them is independent and financially literate within the meaning of National Instrument 52-110 – Audit Committees.

For further information relating to the Audit Committee and independent auditors of the Corporation, please refer to the section entitled "Audit Committee Disclosure" in the Corporation's Annual Information Form for the financial year ended December 31, 2021, which has been filed with securities regulators at www.sedar.com and may be obtained on request from the Public Affairs Department of Bombardier or at www.bombardier.com.

AMENDMENT TO THE RESTATED ARTICLES OF INCORPORATION – SHARE CONSOLIDATION

With the exception of the anticipated post-consolidation share numbers set forth in this proposal, share numbers set forth in this Circular do not reflect the effect of the proposed Share Consolidation.

INTRODUCTION

The Corporation is asking shareholders to authorize the Board of Directors to effect, at such time as the Board of Directors shall deem appropriate, but in any event no later than May 5, 2023, a share consolidation (or reverse stock split) of the Class A shares, issued and unissued, and Class B subordinate voting shares, issued and unissued, at a Share Consolidation ratio to be determined by the Board of Directors but within the range of one post-consolidation Class A share or Class B subordinate voting share, as the case may be, for every 10 to 30 pre-consolidation Class A shares or Class B subordinate voting shares, as the case may be, by filing articles of amendment to the Corporation's Restated Articles of Incorporation, subject to the Board of Directors' authority to decide not to proceed with the filing of the articles of amendment and the implementation of the Share Consolidation. The Board of Directors may, in its discretion, select any ratio for the Share Consolidation falling within the aforementioned range of ratios upon receipt of shareholder approval and prior to the filing of articles of amendment to the Corporation's Restated Articles of Incorporation, as amended. Currently, the Board of Directors believes that an initial post-consolidation share price in the range of CDN $11.60 to CDN $34.80 per Class A share or Class B subordinate voting share, as the case may be, would be an appropriate initial price level for such shares, assuming a pre-consolidation price per Class A share or Class B subordinate voting share, as applicable, of CDN $1.16). However, the Board of Directors may, in its sole discretion, select a ratio from within the range set forth in the Special Resolution/Share Consolidation that would be expected to result in an initial post-consolidation share price that is above or below this range. The actual timing for implementation, if any, of the Share Consolidation would be determined by the Board of Directors based upon its evaluation as to when such action would be most advantageous to the Corporation and its shareholders. These determinations would be made by the Board of Directors based upon prevailing market conditions at that time.

The Board of Directors will retain the authority, notwithstanding approval of the Share Consolidation by shareholders, to determine in its discretion not to proceed with the Share Consolidation, without further approval or action by or prior notice to shareholders. If the Share Consolidation is not implemented prior to May 5, 2023, the shareholder approval granted in respect of the Share Consolidation will be deemed to have been revoked and the Board of Directors will be required to obtain new shareholder approval if it wishes to implement a share consolidation.

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

- the historical trading prices and trading volume of the Class A shares and Class B subordinate voting shares;
- the then prevailing trading price and trading volume of the Class A shares and Class B subordinate voting shares and the anticipated impact of the Share Consolidation on the trading market(s) for the Class A shares and Class B subordinate voting shares;
- the outlook for the trading price of the Class A shares and Class B subordinate voting shares;
- threshold prices of brokerage houses or institutional investors that could impact their ability to invest or recommend investments in the Class A shares and/or Class B subordinate voting shares;
- the number of Class A shares and Class B subordinate voting shares that may be issued pursuant to outstanding securities exercisable or exchangeable for, or convertible into, Class A shares or Class B subordinate voting shares, and pursuant to the exercise of the Warrants issued;
- the overall reduction of the Corporation's administrative costs; and
- prevailing general market and economic conditions.

At the close of business on the Record Date, the closing price of the Class A shares and Class B subordinate voting shares on the TSX was CDN $1.30 and CDN $1.16, respectively, and there were 308,734,229 issued and outstanding Class A shares and 2,133,526,542 issued and outstanding Class B subordinate voting shares. Based on the numbers of Class A shares and Class B subordinate voting shares issued and outstanding on the Record Date, immediately following the completion of the Share Consolidation, for illustrative purposes only, (i) assuming a Share Consolidation ratio of 10-for-1, we would have approximately 30,873,423 and 213,352,654 Class A shares and Class B subordinate voting shares issued and outstanding, respectively, (ii) assuming a Share Consolidation ratio of 20-for-1, we would have approximately 15,436,711 and 106,676,327 Class A shares and Class B subordinate voting shares issued and outstanding, respectively, and (iii) assuming a Share Consolidation ratio of 30-for-1, we would have approximately 10,291,141 and 71,117,551 Class A shares and Class B subordinate voting shares issued and outstanding, respectively (in each case without giving effect to the treatment of fractional shares). The Corporation does not expect the Share Consolidation itself to have any economic effect on shareholders or holders of securities exercisable or exchangeable for, or convertible into, Class A shares or Class B subordinate voting shares, except to the extent the Share Consolidation will result in fractional shares as discussed below.

BACKGROUND AND REASONS FOR THE SHARE CONSOLIDATION

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

POTENTIAL FOR INCREASED AND MORE ATTRACTIVE SHARE PRICE

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

REDUCED SHAREHOLDER TRANSACTION COSTS

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

IMPROVED TRADING LIQUIDITY

The combination of potentially lower transaction costs and increased interest from institutional investors and investment funds could ultimately improve the trading liquidity of the Corporation’s Class A shares and Class B subordinate voting shares.

ALIGNING NUMBER OF SHARES OUTSTANDING WITH A COMPANY EXCLUSIVELY FOCUSED ON BUSINESS AVIATION

The alignment of the number of outstanding shares aims to reflect the evolution of the company's activities and size, and a relatively comparable share count as a majority of TSX listed companies with a similar market capitalization.

EFFECTIVE DATE OF SHARE CONSOLIDATION

If shareholders approve the Share Consolidation, it is the intention of the Corporation to file articles of amendment giving effect thereto on the basis set out in the Special Resolution/Share Consolidation, the full text of which is reproduced in Exhibit “B” to this Circular. The effective date of the Share Consolidation will be the date of issuance of the Certificate of Amendment by the Director under the *Canada Business Corporations Act* ("CBCA") and such date is referred to as the “Share Consolidation Effective Date”. On the Share Consolidation Effective Date, the Class A shares and Class B subordinate voting shares will be consolidated on the basis described above.

CERTAIN RISK FACTORS ASSOCIATED WITH THE SHARE CONSOLIDATION

– Reducing the numbers of issued and outstanding Class A shares and Class B subordinate voting shares through the Share Consolidation is intended, absent other factors, to increase the per share market price of the Class A shares and Class B subordinate voting shares; however, the market price of the Class A shares and Class B subordinate voting shares will also be based on the Corporation’s financial and operational results, its available capital and liquidity resources, its product pipeline, the state of the market for the Class A shares and Class B subordinate voting shares at the time, general economic, geopolitical, market and industry conditions, the market perception of the Corporation’s business and other factors and contingencies, which are unrelated to the number of shares outstanding. As a result, there can be no assurance that the market price of the Class A shares and Class B subordinate voting shares will in fact increase following the Share Consolidation or will not decrease in the future. If the market price of the Class A shares and/or Class B subordinate voting shares is lower than it was before the Share Consolidation, the respective total market capitalization of the Corporation’s Class A shares and Class B subordinate voting shares after the Share Consolidation may be lower than before the Share Consolidation. In addition, in the future, the market price of the Class A shares and Class B subordinate voting shares following the Share Consolidation may not exceed or remain higher than the market price prior to the Share Consolidation.

– While the Board of Directors believes that a higher share price could help to attract institutional investors who have internal policies that either prohibit them from purchasing stocks below a certain minimum price or tend to discourage individual brokers from recommending such stocks to their customers, the Share Consolidation may not result in a per share market price that will attract institutional investors or investment funds and such share price may not satisfy the investing guidelines of institutional investors or investment funds. As a result, the trading liquidity of the Class A shares and Class B subordinate voting shares may not improve.

– If the Share Consolidation is effected and the market price of the Class A shares and Class B subordinate voting shares declines, the percentage decline as an absolute number and as a percentage of the Corporation’s overall market capitalization may be greater than would occur in the absence of the Share Consolidation. In many cases, both the total market capitalization of a company and the market price of such company's shares following a share consolidation are lower than they were before the share consolidation. Furthermore, the liquidity of the Corporation's Class A shares and Class B subordinate voting shares could be adversely affected by the reduced number of Class A shares and Class B subordinate voting shares that would be outstanding after the Share Consolidation.

– The Share Consolidation may also result in some shareholders owning "odd lots" of less than 100 Class A shares and Class B subordinate voting shares. Odd lots may be more difficult to sell, or require greater transaction costs per share to sell, than shares in ''round lots'' of even multiples of 100 shares.

EFFECTS OF THE SHARE CONSOLIDATION

GENERAL

If the Share Consolidation is approved and implemented, the principal effect will be to proportionately decrease the numbers of issued and unissued Class A shares and Class B subordinate voting shares, based on the Share Consolidation ratio chosen by the Board of Directors. The Share Consolidation will not affect the listing of the Class A shares and Class B subordinate voting shares on the TSX. Following the Share Consolidation, except as described herein, the Class A shares and Class B subordinate voting shares will continue to be listed on the TSX under the symbols "BBD.A" and "BBD.B", respectively, although the post-consolidation Class A shares and Class B subordinate voting shares will be considered a substituted listing with new CUSIP and ISIN numbers.

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

No fractional shares will be issued or delivered to registered holders of Class A shares and/or Class B subordinate voting shares in connection with the Share Consolidation. If, as a result of the Share Consolidation, a shareholder becomes entitled to a fractional share, the number of new post-consolidation Class A shares and/or Class B subordinate voting shares, as the case may be, to which the registered shareholder is entitled, will be rounded down to the nearest whole number, and any and all fractional Class A shares and Class B subordinate voting shares to which registered holders would otherwise be entitled as a result of the Share Consolidation shall be aggregated and sold by the Corporation's transfer agent and registrar on the market as described under "Payment for fractional shares" below.

Moreover, the rate of the priority dividend per share per annum carried by the Class B subordinate voting shares, currently set at $0.0015625 per share per annum in the Restated Articles of Incorporation, will be, as a direct and necessary consequence of the Share Consolidation, proportionately adjusted upon the implementation of the Share Consolidation, based on the Share Consolidation ratio selected by the Board of Directors. However, shareholders will not be affected, as their entitlement with respect to this priority dividend, subject to the Board of Directors' discretion as to the declaration of dividends, will remain unchanged.

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

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

EFFECT ON AUTHORIZED BUT UNISSUED CLASS A SHARES AND CLASS B SUBORDINATE VOTING SHARES

Currently, the Corporation is authorized to issue up to 3,592,000,000 Class A shares and 3,592,000,000 Class B subordinate voting shares. The maximum numbers of Class A shares and Class B subordinate voting shares that the Corporation is authorized to issue, as set out in its Restated Articles of Incorporation will be proportionately adjusted upon the implementation of the Share Consolidation based on the Share Consolidation ratio selected by the Board of Directors. If, for illustrative purposes only, the Share Consolidation ratio is 20-for-1, the maximum numbers of Class A shares and Class B subordinate voting shares that the Corporation is authorized to issue, as set out in its Restated Articles of Incorporation, will be divided by 20.

EFFECT ON CONVERTIBLE SECURITIES, STOCK OPTIONS AND OTHER ARRANGEMENTS

Subject to TSX approval, where required:

– the exercise or conversion price and/or the number of shares of the Corporation issuable under any of the Corporation's outstanding convertible securities, stock options, share units, rights and any other similar securities, will be proportionately adjusted upon the implementation of the Share Consolidation based on the Share Consolidation ratio selected by the Board of Directors; and

- the number of Class B subordinate voting shares reserved for issuance under each of the Corporation's Stock Option Plan and 2010 Deferred Share Unit Plan will be reduced proportionately based on the Share Consolidation ratio selected by the Board of Directors.

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

Similarly, the applicable exercise prices and the numbers of Class B subordinate voting shares issuable pursuant to the exercise of the Warrants issued will be proportionately adjusted upon the implementation of the Share Consolidation, based on the Share Consolidation ratio selected by the Board of Directors, subject to TSX approval.

MECHANICS OF THE SHARE CONSOLIDATION

BOOK-ENTRY SHARES (REGISTERED OR BENEFICIAL)

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

NON-REGISTERED SHAREHOLDERS

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

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

REGISTERED SHAREHOLDERS HOLDING SHARE CERTIFICATES—EXCHANGE OF SHARE CERTIFICATES

If the Share Consolidation is approved by shareholders and subsequently implemented, those registered shareholders who will hold at least one (1) post-consolidation Class A share and/or one (1) post-consolidation Class B subordinate voting share will be required to exchange their share certificates representing their old Class A shares and Class B subordinate voting shares for new share certificates representing the new post-consolidation Class A shares and Class B subordinate voting shares.

In the event the Share Consolidation is approved and implemented, the Corporation (or its transfer agent) will mail to each registered shareholder a letter of transmittal addressed to the Corporation and its transfer agent, which each registered shareholder will need to sign and complete following the Corporation's announcement of the Share Consolidation Effective Date. The letter of transmittal will contain instructions on how to surrender to the transfer agent the certificate(s) representing the registered shareholder's Class A shares and/or Class B subordinate voting shares, as the case may be.

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

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

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

All questions as to form, validity and acceptance of any pre-consolidation Class A shares and Class B subordinate voting shares deposited pursuant to the Share Consolidation will be determined by the Corporation in its sole discretion. Shareholders depositing Class A shares and/or Class B subordinate voting shares agree that such determination shall be final and binding. The Corporation reserves the absolute right to reject any and all deposits which the Corporation determines not to be in proper form or right to waive any defect or irregularity in the deposit of any pre-consolidation Class A shares and/or Class B subordinate voting shares, as the case may be. There shall be no duty or obligation on the Corporation, the transfer agent or any other person to give notice of any defect or irregularity in any deposit of Class A shares and/or Class B subordinate voting shares, as the case may be, and no liability shall be incurred by any of them for failure to give such notice. The Corporation reserves the right to permit the procedure for the exchange of shares pursuant to the Share Consolidation to be completed other than that as set out above.

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

REGISTERED SHAREHOLDERS SHOULD NEITHER DESTROY NOR SUBMIT ANY SHARE CERTIFICATE(S) UNTIL REQUESTED TO DO SO.

PAYMENT FOR FRACTIONAL SHARES

No certificates representing fractional shares will be issued or delivered if, as a result of the Share Consolidation, a registered shareholder would otherwise become entitled to a fractional Class A share or Class B subordinate voting share. Any and all such fractional shares will be aggregated and sold by the Corporation's transfer agent and registrar on the market, with the proceeds therefrom, net of brokerage commissions and expenses, being proportionately distributed to registered shareholders (without interest) in lieu of such fractional shares. After the Share Consolidation, then current registered shareholders will have no further interest in the Corporation with respect to their fractional Class A shares or Class B subordinate voting shares and such shareholders will not have any voting, dividend or other rights in respect of such fractional Class A shares or Class B subordinate voting shares other than the right to receive payment therefor as described herein. The elimination of fractional interests will reduce the number of post-consolidation registered shareholders to the extent that there are registered shareholders holding Class A shares or Class B subordinate voting shares that are not in a multiple of 20, if, for illustrative purposes only, the Share Consolidation ratio is 20-for-1. This is not, however, the purpose for which the Corporation is proposing to effect the Share Consolidation.

NO DISSENT RIGHTS

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

ACCOUNTING CONSEQUENCES

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

CERTAIN TAX CONSEQUENCES OF THE SHARE CONSOLIDATION

CERTAIN CANADIAN FEDERAL INCOME TAX CONSEQUENCES OF THE SHARE CONSOLIDATION

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

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

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

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

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

A Canadian Holder on whose behalf a fractional share will be sold following the Share Consolidation as described under "Payment for Fractional Shares" will be considered to have disposed of such fractional share at the time of such sale and will realize a capital gain (or a capital loss) to the extent that the cash received for the fractional share, net of reasonable costs of disposition, exceeds (or is less than) the adjusted cost base of such fractional share to the Canadian Holder. Generally, one-half of any capital gain (taxable capital gain) realized must be included in income and one-half of any capital loss (allowable capital loss) realized may be deducted against taxable capital gains, in accordance with the detailed provisions of the Tax Act.

CERTAIN MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE SHARE CONSOLIDATION

The following discussion is a general summary of certain material U.S. federal income tax consequences of the Share Consolidation that may be relevant to holders of the Class A shares and Class B subordinate voting shares that hold such shares as a capital asset within the meaning of Section 1221 of the Internal Revenue Code, as amended (the "IRC"). This summary is based upon the provisions of the IRC, final, temporary and proposed Treasury regulations promulgated thereunder, published administrative rulings and judicial decisions as of the date hereof, all of which may change, possibly with retroactive effect, resulting in U.S. federal income tax consequences that may differ from those discussed below. The Corporation will not request a legal opinion or any rulings from the Internal Revenue Service (the "IRS") on the tax consequences described below. The IRS or a U.S. court might reach a contrary conclusion with respect to the issues addressed herein if the matter were contested. This discussion does not address all aspects of U.S. federal income taxation that may be relevant to such holders in light of their particular circumstances or to holders that may be subject to special tax rules, including, without limitation: (i) banks, insurance companies, or other financial institutions; (ii) tax-exempt organizations; (iii) retirement plans, individual plans, individual retirement accounts and tax-deferred accounts; (iv) dealers in securities, currency or commodities; (v) regulated investment companies or real estate investment trusts and shareholders of such corporations; (vi) partnerships (or other flow-through entities for U.S. federal income tax purposes) and their partners or members; (vii) traders in securities; (viii) U.S. Holders (as defined below) whose "functional currency" is not the U.S. dollar; (ix) persons holding Class A shares and Class B subordinate voting shares as a position in a hedging transaction, "straddle," "conversion transaction", "constructive sale", "wash sale", "synthetic security" or other integrated or risk reduction transaction; (x) persons who acquire Class A shares and Class B subordinate voting shares in connection with employment or other performance of services; (xi) U.S. holders subject to the alternative minimum tax; (xii) U.S. expatriates; (xiii) Non-U.S. Holders (as defined below) that are controlled foreign corporations or passive foreign investment companies; (xiv) U.S. Holders that are required to accelerate the recognition of any item of gross income with respect to the Class A shares and Class B subordinate voting shares as a result of such income being recognized on an applicable financial statement; and (xv) U.S. Holders that hold their Class A shares and Class B subordinate voting shares through non-U.S. brokers or other non-U.S. intermediaries. In addition, this summary does not (a) address the tax consequences arising under the laws of any foreign, state or local jurisdiction and U.S. federal tax consequences other than federal income taxation (such as estate or gift tax consequences), (b) take into account the individual facts and circumstances of any particular U.S. holder that may affect the U.S. federal income tax consequences applicable to such holder, or (c) address any tax reporting requirements except as expressly discussed below. This summary also does not address the 3.8% Medicare tax imposed on certain income.

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

EACH HOLDER OF THE CLASS A SHARES AND CLASS B SUBORDINATE VOTING SHARES SHOULD CONSULT ITS TAX ADVISOR WITH RESPECT TO THE PARTICULAR TAX CONSEQUENCES OF THE SHARE CONSOLIDATION TO SUCH HOLDER, INCLUDING THE APPLICATION OF THE U.S. FEDERAL INCOME TAX CONSIDERATIONS DISCUSSED BELOW, AS WELL AS THE APPLICATION OF U.S. FEDERAL TAX LAWS OTHER THAN INCOME TAX LAWS (SUCH AS ESTATE AND GIFT TAX LAWS) AND U.S. STATE OR LOCAL, OR NON-U.S. TAX LAWS AND ANY APPLICABLE TAX TREATIES.

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

U.S. HOLDERS

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

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

NON-U.S. HOLDERS

Non-U.S. Holders that exchange Class A shares and Class B subordinate voting shares pursuant to the Share Consolidation generally should not be subject to U.S. federal income tax on such exchange.

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

SPECIAL RESOLUTION

The CBCA requires that any change in the number of shares of any class of shares of a corporation into a different number of shares of the same class must be approved by a special resolution of the shareholders of that corporation, being a majority of not less than two-thirds (⅔) of the votes cast by the shareholders who voted in respect of that resolution.

As such, the Special Resolution/Share Consolidation must be approved by not less than two-thirds (⅔) of the votes cast, by proxy or virtually at the Meeting online, by holders of Class A shares and holders of Class B subordinate voting shares, voting together. The text of the Special Resolution/Share Consolidation to be voted on at the Meeting by the holders of Class A shares and holders of Class B subordinate voting shares is set forth in Exhibit “B” to this Circular.

The Board of Directors believes that the proposed Share Consolidation is in the best interests of the Corporation and therefore recommends that the holders of Class A shares and holders of Class B subordinate voting shares vote FOR the Share Consolidation and the Special Resolution/Share Consolidation.

In the absence of instruction to vote against the proposed Share Consolidation as described above, the proxyholders whose names appear on the enclosed form of proxy intend to vote, at the Meeting, FOR the Share Consolidation and the Special Resolution/Share Consolidation set forth in Exhibit “B” to this Circular.

NON-BINDING ADVISORY VOTE ON BOMBARDIER'S APPROACH TO EXECUTIVE COMPENSATION

The approach of Bombardier regarding executive compensation is to maximize the overall performance of the Corporation through the individual performance of its executives. The goals of the policy are to attract, retain and motivate executives in order to increase business performance and enhance shareholder value which supports the pay-for-performance commitment of Bombardier.

Bombardier's executive compensation policy focuses on total compensation: base salary, short-term incentives, long-term incentives, pension, benefits and perquisites. The Corporation's philosophy is to position the total executive direct compensation package at the median (50th percentile) compared with similar positions in companies that have international operations and are comparable in size and complexity to Bombardier in the relevant markets.

Section 5 "Remuneration of the Executive Officers of Bombardier" of this Circular provides meaningful information on the various elements of the executive compensation policy of Bombardier.

The Board of Directors decided, during its meeting on March 30, 2011, to implement advisory, but non-binding, votes on executive compensation (otherwise known as "Say on Pay"). Thus, the shareholders of the Corporation will be called, during the Meeting, to vote "FOR" or "AGAINST" the adoption of the following resolution with respect to Bombardier's approach to executive compensation:

"RESOLVED, on an advisory basis and not to diminish the role and responsibilities of the Board of Directors of Bombardier Inc., that the shareholders of Bombardier Inc. accept the approach to executive compensation disclosed in the Management Proxy Circular delivered in advance of the annual and special meeting of the shareholders of Bombardier Inc. held on May 5, 2022".

Since this is an advisory resolution, the results will not be binding on the Board of Directors. However, the members of the HRCC will take into account the results of the vote when reviewing, in the future, executive compensation philosophy, policies, programs or arrangements.

The results of the vote will also be included in the report on voting results to be posted on the SEDAR website, at www.sedar.com, following the Meeting.

The Board of Directors recommends to its shareholders and their proxyholders to vote FOR the adoption of this non-binding advisory resolution on Bombardier's approach to executive compensation.

Adoption of this resolution will require a majority of the votes cast, by proxy or at the Meeting, by the holders of Class A shares and holders of Class B subordinate voting shares, voting together.

SECTION 3 : REMUNERATION AND ATTENDANCE RECORD OF THE DIRECTORS OF BOMBARDIER

This section describes the approach to compensation for the directors at Bombardier.

With a view to providing market competitive compensation and aligning the interests of directors and shareholders, the CGNC reviews the amount and form of non-executive directors' compensation in light of the responsibilities and time commitment required of directors. The CGNC monitors the competitiveness of Bombardier's Board of Directors compensation against public companies in Canada and the United States that have international operations and are comparable in size and complexity to Bombardier. The CGNC did not recommend any change to the amount or form of compensation for the financial year ended December 31, 2021.

Please note the following disclosure for each director who served in that capacity for any part of the most recently completed financial year, which is relevant throughout this Section 3:

- Martha Finn Brooks retired as a director at the close of the previous annual meeting of the Corporation held on May 6, 2021, and ceased to be a member of the Audit Committee on that date;
- Vikram Pandit retired as a director at the close of the previous annual meeting of the Corporation held on May 6, 2021, and ceased to act as Lead Director and to be a member of the CGNC and the HRCC on that date;
- Anthony R. Graham ceased to be a member of the CGNC and was appointed as chair of the HRCC at the close of the Board of Directors meeting of the Corporation held on May 6, 2021;
- August W. Henningsen ceased to be a member of the HRCC and was appointed as a member of the Audit Committee at the close of the Board of Directors meeting of the Corporation held on May 6, 2021;
- Melinda Rogers-Hixon was appointed as a member of the HRCC and of the CGNC at the close of the Board of Directors meeting of the Corporation held on May 6, 2021;
- Douglas R. Oberhelman was appointed as Lead Director at the close of the Board of Directors meeting of the Corporation held on May 6, 2021; and
- Eric Sprunk was appointed as a member of the Audit Committee at the close of the Board of Directors meeting of the Corporation held on May 6, 2021.

ATTENDANCE RECORD OF DIRECTORS DURING THE FINANCIAL YEAR ENDED DECEMBER 31, 2021

The following table sets forth the number of meetings of the Board of Directors and its Committees held between January 1, 2021 and December 31, 2021 and the record of attendance at these meetings of the directors of the Corporation, all of whom, except for Martha Finn Brooks and Vikram Pandit, are nominees for election to the Board of Directors for the ensuing year.

Individual Who Acted as Director During the Year 2021	Board	Audit Committee *Chair*: Diane Giard	Corporate Governance and Nominating Committee *Chair*: Douglas R. Oberhelman	Human Resources and Compensation Committee *Chair*: Anthony R. Graham	Individual Attendance Rate
Pierre Beaudoin(1)	13/13	(1)	(1)	(1)	100%
Éric Martel(1)	13/13	(1)	(1)	(1)	100%
Joanne Bissonnette	13/13	—	—	—	100%
Charles Bombardier	13/13	—	—	—	100%
Martha Finn Brooks	6/6	2/2	—	—	100%
Diane Fontaine	13/13	—	—	—	100%
Diane Giard	13/13	8/8(2)	4/4	—	100%
Anthony R. Graham	13/13	8/8(2)	2/2	2/2	100%
August W. Henningsen	13/13	6/6(2)	—	3/3	100%
Douglas R. Oberhelman	13/13	—	4/4	5/5	100%
Vikram Pandit	6/6	—	2/2	3/3	100%
Melinda Rogers-Hixon	6/7	—	2/2	2/2	91%
Eric Sprunk	7/7	6/6(2)	—	—	100%
Antony N. Tyler	13/13	—	4/4	5/5	100%
Overall Attendance Rate:	99%	100%	100%	100%	—

(1) The Chairman of the Board of Directors, Pierre Beaudoin and Chief Executive Officer, Éric Martel, were not members of any of the committees of the Board of Directors; however, they were entitled to attend and to participate in all the meetings of the committees (except *in camera* meetings or *in camera* portions of meetings), but not to vote.

(2) Including a joint session with a Board of Directors meeting.

ELEMENTS OF COMPENSATION DURING THE FINANCIAL YEAR ENDED DECEMBER 31, 2021

The following table illustrates the elements of compensation to which the directors were entitled, after having forgone their remuneration for most of 2020 in response to the COVID-19 pandemic, during the financial year ended December 31, 2021, with the exception of Éric Martel, who received no compensation for serving as a director of the Corporation.

Type of Fees	($)
Board Retainers	
Chairman of the Board of Directors	400,000
Directors (other than the Chairman of the Board of Directors and the President and Chief Executive Officer)	160,000
Additional Retainers	
Lead Director of the Board of Directors	15,000
Audit Committee Chair	20,000
Other Committee Chair	10,000
Committee Members (other than the Chair)	5,000
Travel Fees(1)	2,500

(1) Every time a director has a travel time of three hours or more from their residence in order to attend a meeting of the Board of Directors and/or one of its committees, in person, they are entitled to receive travel fees.

No fees are paid for attendance at Board of Directors or committee meetings, subject to the travel fees mentioned in the above table when applicable.

Certain directors also receive a limited number of perquisites and benefits such as office administration, car allowance and group and/or life insurance. See “Summary Compensation Table” below for further details.

The Chairman of the Board of Directors is also entitled to an annual business development allocation in an aggregate amount of $250,000, pursuant to a business development agreement entered into between the Corporation and Pierre Beaudoin in 2017, under which the latter assists the Corporation with customer transactions, stakeholder relations and sales campaigns, and continues to participate to various international events and conferences. Pierre Beaudoin has served in a variety of key roles at Bombardier over the past 30+ years (including President and Chief Executive Officer between 2008 and February 2015 and Executive Chairman between February 2015 and June 2017), and understands the Corporation and its various stakeholders. His deep knowledge of the industry in which Bombardier operates, long-term perspective and lifelong commitment to the Corporation adds significant value to the Corporation’s stakeholder relationships. Mr. Beaudoin is an advocate for sustainability at the Corporation which adds significant value to Board of Directors deliberations. Under Mr. Beaudoin’s leadership, the Board of Directors provided the Corporation with direction on various corporate-wide issues such as sustainability, mobility and stakeholder relationships.

Please also see “Minimum Shares and/or DDSUs Holding Requirement” and “Director Deferred Stock Unit Plan” below for details on the allocation of compensation earned during the financial year ended December 31, 2021 by the directors of the Corporation entitled to receive them as between fees credited in Director Deferred Stock Units (“DDSUs”) and those paid in cash.

ALLOCATION OF COMPENSATION EARNED DURING THE FINANCIAL YEAR ENDED DECEMBER 31, 2021

The following table shows the allocation of compensation earned during the financial year ended December 31, 2021 by the directors of the Corporation entitled to receive them.

	Annual Fees				Travel Fees	Total	Allocation of Compensation		
Director	Board Retainer[1] ($)	Lead Director ($)	Committees ($)	Total ($)	Travel Fees[2] ($)	Total Fees Earned ($)	Total Fees Paid in Cash ($)	Total Fees Credited in DDSUs ($)	Number of DDSUs Credited[3]
Pierre Beaudoin	400,000	—	—	400,000	—	400,000	400,000	—	—
Joanne Bissonnette[4]	160,000	—	—	160,000	—	160,000	80,000	80,000	77,690
Charles Bombardier	160,000	—	—	160,000	—	160,000	—	160,000	155,382
Martha Finn Brooks[2][4]	80,000	—	2,500	82,500	—	82,500	42,500	40,000	50,234
Diane Fontaine	160,000	—	—	160,000	—	160,000	—	160,000	155,382
Diane Giard[5]	160,000	—	25,000	185,000	—	185,000	—	185,000	179,661
Anthony R. Graham[5]	160,000	—	12,500	172,500	—	172,500	—	172,500	166,810
August W. Henningsen[2]	160,000	—	5,000	165,000	2,500	167,500	87,500	80,000	77,690
Douglas R. Oberhelman[2][4]	160,000	7,500	15,000	182,500	2,500	185,000	105,000	80,000	77,690
Vikram Pandit[2][4]	80,000	7,500	7,500	95,000	—	95,000	55,000	40,000	50,234
Melinda Rogers-Hixon	120,000	—	5,000	125,000	—	125,000	—	125,000	98,688
Eric Sprunk[2]	120,000	—	2,500	122,500	2,500	125,000	5,000	120,000	95,256
Antony N. Tyler[2]	160,000	—	10,000	170,000	2,500	172,500	92,500	80,000	77,690

(1) The full amount of the Board retainer was credited in DDSUs to every director, except for (i) Pierre Beaudoin, (ii) Joanne Bissonnette, (iii) Martha Finn Brooks, (iv) August W. Henningsen, (v) Douglas R. Oberhelman, (vi) Vikram Pandit, (vii) Antony N. Tyler.

(2) This director was entitled to travel fees of $2,500 for each meeting which they attended in person, where applicable.

(3) Included in these numbers are DDSUs that were credited on January 4, 2022 in payment of the applicable portion of the Board retainer.

(4) This director elected to receive only 50% of their Board retainer in the form of DDSUs.

(5) This director elected to receive 100% of their additional retainers and/or travel fees in DDSUs.

SUMMARY COMPENSATION TABLE

The Summary Compensation Table below shows all of the annual compensation information for each of the directors for the financial year ended December 31, 2021, with the exception of Éric Martel, President and Chief Executive Officer, who did not receive any compensation for acting as a director of the Corporation.

The remuneration of the President and Chief Executive Officer, Éric Martel, is disclosed in Section 5 of this Circular.

Director	Total Fees Earned[(1)] ($)	All Other Compensation ($)	Total Compensation ($)
Pierre Beaudoin	400,000	320,200[(2)]	720,200
Joanne Bissonnette	160,000	—	160,000
Charles Bombardier	160,000	—	160,000
Martha Finn Brooks	82,500	—	82,500
Diane Fontaine	160,000	—	160,000
Diane Giard	185,000	—	185,000
Anthony R. Graham	172,500	—	172,500
August W. Henningsen	167,500	—	167,500
Douglas R. Oberhelman	185,000	—	185,000
Vikram Pandit	95,000	—	95,000
Melinda Rogers-Hixon	125,000	—	125,000
Eric Sprunk	125,000	—	125,000
Antony N. Tyler	172,500	—	172,500

(1) Please refer to the previous table “Allocation of Compensation Earned during the Financial Year ended December 31, 2021” of this Circular for details on the allocation of compensation earned during the financial year ended December 31, 2021 as between fees credited in DDSUs and those paid in cash.

(2) Including an amount of $250,000, which represents the aggregate annual business development allocation under the business development agreement entered into between the Corporation and Pierre Beaudoin in 2017. Also included in this amount is (i) the sum of $29,000, which represents the aggregate costs to Bombardier for the car allowance of Pierre Beaudoin, including the actual car leasing costs, insurance, parking, and other vehicle operation costs, (ii) the sum of $29,400, which represents the estimated costs to Bombardier for medical exams and premium paid for group insurance in excess of that generally available to retired employees, and (iii) the sum of $11,800, which represents the costs to Bombardier for personal use of corporate aircraft, which amount represents the equivalent of the aggregate incremental operating costs to Bombardier for the personal use of the corporate aircraft by Mr. Beaudoin; the calculation of incremental operating costs to Bombardier for personal use of the corporate aircraft includes the variable costs incurred as a result of personal flight activity such as aircraft fuel, trip-related maintenance and repairs, catering, landing and parking fees, crew expenses and low value equipment and supplies. The amounts paid were converted from Canadian dollars to US dollars based on an average exchange rate of 0.7977 during the year ended December 31, 2021.

In addition to the annual compensation shown in the Summary Compensation Table above, Pierre Beaudoin received the following pension benefits during the financial year ended December 31, 2021, to which he was entitled as a former executive of Bombardier. As this amount was previously earned by him in respect of his service as executive officer of Bombardier in prior years, it is not included as remuneration in the Summary Compensation Table for the financial year ended December 31, 2021, and relevant details can be found in previous years’ circulars of Bombardier.

Director	Pension Benefits[(1)] ($)
Pierre Beaudoin	874,700

(1) All amounts paid were converted from Canadian dollars to US dollars based on an average exchange rate of 0.7977 during the year ended December 31, 2021.

MINIMUM SHARES AND/OR DDSUS HOLDING REQUIREMENT

The Board of Directors believes that it is important that directors demonstrate their commitment to Bombardier's growth through their respective shares and/or DDSUs holding.

Each director (other than the Chairman of the Board and the President and Chief Executive Officer) is required to hold shares and/or DDSUs having a minimum value of CDN $400,000 (equal to $313,960 based on an exchange rate of 0.7849 as of December 31, 2021 and to $313,960 based on an exchange rate of 0.7849 as of December 31, 2020) throughout their tenure as a director.

To encourage directors (other than the Chairman of the Board and directors who are also executive officers) to better align their interests with those of the shareholders by having an investment in the Corporation, the Director Deferred Stock Unit Plan (the "DDSU Plan") provides that until an eligible director meets this minimum holding requirement (it being understood that future declines in the trading price of shares on the Toronto Stock Exchange ("TSX") will not impact directors' prior compliance with the holding requirement), their Board retainer will be entirely credited to him/her in the form of DDSUs. Once the required threshold is met, such director must continue to receive at least 50% of their Board retainer in the form of DDSUs. In addition, each eligible director who is a Canadian or United States resident may elect to receive 50% or more of their other fees (i.e. additional retainers and/or travel fees, as applicable) in the form of DDSUs. Directors who are not residents of Canada or the United States must receive their additional retainers, travel fees and, once the holding requirement is met, 50% of their Board retainer, in cash. Please see "Director Deferred Stock Unit Plan" below for further details on DDSUs.

Pursuant to Bombardier's Code of Ethics (the "Code of Ethics"), directors shall not engage in hedging activities or in any form of transactions of publicly-traded options in Bombardier securities, or any other form of derivatives relating to Bombardier securities, including "puts" and "calls". In addition, directors shall not sell Bombardier securities that they do not own (short sale).

DIRECTOR DEFERRED STOCK UNIT PLAN

DDSUs have a value equal to the weighted average trading prices of the Class B subordinate voting shares on the TSX for the five trading days immediately preceding the date of grant. DDSUs are vested on the date of grant and take the form of a bookkeeping entry credited to the eligible director's account for as long as they remain a director. DDSUs will be redeemed for cash upon request after the eligible director ceases to be a director, failing which the DDSUs will automatically be redeemed for cash upon the expiry of a pre-determined period. The value of a DDSU, when redeemed for cash, is equal to the closing price of the Class B subordinate voting shares on the TSX on the last trading day preceding the day of the redemption. DDSUs earn dividend equivalents in the form of additional DDSUs at the same rate as the dividends paid on the Class B subordinate voting shares. The DDSU plan is not dilutive.

DIRECTOR SHARES AND/OR DDSUS HOLDING TABLE

The following table provides information on the number and value of the Class A shares and/or Class B subordinate voting shares of Bombardier and/or DDSUs beneficially owned, or controlled or directed, directly or indirectly, by the current directors of Bombardier, excluding Éric Martel who, as current President and Chief Executive Officer, is a NEO (in his case, please refer to the information disclosed in Section 5 of this Circular).

Director	Financial Year Ended December 31[1]	Number of Class A Shares	Number of Class B Subordinate Voting Shares	Total Value of Shares[2] ($)	Number of DDSUs	Total value of DDSUs[2] ($)	Total Number of Shares and DDSUs	Total Value of Shares and DDSUs[2] ($)	Share Ownership Threshold Met
Pierre Beaudoin[3]	2021	512,859	952,761	1,952,741	—	—	1,465,620	1,952,741	yes
	2020	512,859	952,761	689,040	—	—	1,465,620	689,040	yes
	Net change	—	—	1,263,701	—	—	—	1,263,701	
Joanne Bissonnette	2021	—	5,824	7,680	553,889	730,376	559,713	738,056	yes
	2020	—	5,824	2,194	476,199	179,409	482,023	181,603	yes[4]
	Net change	—	—	5,486	77,690	550,967	77,690	556,453	
Charles Bombardier	2021	—	16	21	342,263	451,319	342,279	451,340	yes
	2020	—	16	6	186,881	70,408	186,897	70,414	no
	Net change	—	—	15	155,382	380,911	155,382	380,926	
Diane Fontaine	2021	—	—	—	342,263	451,319	342,263	451,319	yes
	2020	—	—	—	186,881	70,408	186,881	70,408	no
	Net change	—	—	—	155,382	380,911	155,382	380,911	
Diane Giard	2021	—	—	—	501,172	660,861	501,172	660,861	yes
	2020	—	—	—	321,511	121,130	321,511	121,130	no
	Net change	—	—	—	179,661	539,731	179,661	539,731	
Anthony R. Graham	2021	—	—	—	365,412	481,844	365,412	481,844	yes
	2020	—	—	—	198,602	74,824	198,602	74,824	no
	Net change	—	—	—	166,810	407,020	166,810	407,020	
August W. Henningsen	2021	—	26,500	34,944	363,567	479,411	390,067	514,355	yes
	2020	—	26,500	9,984	285,877	107,705	312,377	117,689	yes[5]
	Net change	—	—	24,960	77,690	371,706	77,690	396,666	
Douglas R. Oberhelman	2021	—	100,000	131,863	323,865	427,059	423,865	558,922	yes
	2020	—	100,000	37,675	246,175	92,747	346,175	130,422	yes[6]
	Net change	—	—	94,188	77,690	334,312	77,690	428,500	
Melinda Rogers-Hixon	2021	—	—	—	98,688	130,133	98,688	130,133	no
	2020	—	—	—	—	—	—	—	no
	Net change	—	—	—	98,688	130,133	98,688	130,133	
Eric Sprunk	2021	—	—	—	95,256	125,608	95,256	125,608	no
	2020	—	—	—	—	—	—	—	no
	Net change	—	—	—	95,256	125,608	95,256	125,608	
Antony N. Tyler	2021	—	—	—	278,739	367,554	278,739	367,554	yes
	2020	—	—	—	201,049	75,746	201,049	75,746	yes[6]
	Net change	—	—	—	77,690	291,808	77,690	291,808	

(1) The number of the Class A shares, Class B subordinate voting shares or DDSUs beneficially owned, or controlled or directed, directly or indirectly, by each director for the financial years ended December 31, 2021 and December 31, 2020 is determined at December 31, 2021 and as at December 31, 2020, respectively, except for the DDSUs that were credited in payment of the applicable portion of the Board retainer and, if applicable, additional retainer and travel fees earned for the quarter ended on December 31, 2021, the number of which was determined at January 4, 2022.

(2) The total value for the financial year ended December 31, 2021 is calculated on the basis of the December 31, 2021 closing prices of the Class A share and the Class B subordinate voting share of CDN \$1.73 and CDN \$1.68, respectively, converted from Canadian dollars to US dollars based on an exchange rate of 0.7849. The total value for the financial year ended December 31, 2020 is calculated on the basis of the December 31, 2020 closing prices of the Class A share and the Class B subordinate voting share of CDN \$0.82 and CDN \$0.48, respectively, converted from Canadian dollars to US dollars based on an exchange rate of 0.7849. This value also corresponds to the market or payout value of DDSUs not paid out or distributed.

(3) In addition,Pierre Beaudoin held at December 31, 2021 the numbers of stock options, Performance Share Units ("PSUs") and Deferreded Share Units ("DSUs") disclosed in Section 3 of this Circular. Please refer to the tables “Outstanding Share-Based Awards and Option-Based Awards for Pierre Beaudoin” and “Vested DSUs Total Holding Table for Pierre Beaudoin” below for details.

(4) This director reached the minimum threshold under the DDSU Plan in 2014.

(5) This director reached the minimum threshold under the DDSU Plan in 2017.

(6) This director reached the minimum threshold under the DDSU Plan in 2018.

OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS FOR PIERRE BEAUDOIN

Option-Based Awards						Share-Based Awards		
Name	Grant Date	Number of Securities Underlying Unexercised Options at Financial Year-End(1)	Option Exercise Price(2) ($)	Option Expiration Date	Value of Unexercised in-the-money Options at Financial Year End(3) ($)	Number of PSUs/DSUs that Have Not Vested at the End of the Financial Year	Market Value of PSUs/DSUs that Have Not Vested at the End of the Financial Year ($)	Market Value of Vested Share-Based Awards not Paid or Distributed ($)
Pierre Beaudoin	August 7, 2015	4,636,037	1.30	August 7, 2022	109,100	—	—	1,151,000
	August 12, 2016	1,377,845	1.55	August 12, 2023	—	—	—	
	August 4, 2017	—(4)	—	—	—	—	—	

(1) As of December 31, 2021, stock options granted on August 7, 2015 and August 12, 2016 were vested.

(2) The exercise price of the stock options in this table is equal to the weighted average trading price of the Class B subordinate voting shares on the TSX for the five trading days before the grant was made. The exercise price was converted from Canadian dollars to US dollars based on an exchange rate of 0.7849 as of December 31, 2021.

(3) The value of unexercised in-the-money options as of December 31, 2021 is the difference between the closing price of the underlying shares as of that date and the exercise price. These options have not been, and may never be, exercised, and actual gains, if any, on exercise will depend on the value of the shares on the date of exercise. Based on the closing price of the Class B subordinate voting shares of CDN $1.68 and an exchange rate from Canadian dollars to US dollars of 0.7849 as of December 31, 2021.

(4) Pierre Beaudoin has not received any stock options since August 12, 2016.

Please refer to “Remuneration of the Executive Officers of Bombardier - Compensation Elements – Long-Term Incentive Plans” of Section 5 of this Circular for details on PSUs and to “Appendix (Stock Options and Deferred Share Units” for relevant details on DSUs and the DSU Plan and 2010 DSUP.

VESTED DSUS TOTAL HOLDING TABLE FOR PIERRE BEAUDOIN

Name		Number of Additional Vested or Credited DSUs During the Year(1)	Number of Vested DSUs as of December 31, 2021	Market Value of Vested DSUs as of December 31, 2021(2) ($)
Pierre Beaudoin	872,896	—	872,896	1,151,000

(1) No additional DSUs were credited nor vested during the financial year ended December 31, 2021 and no cash dividends were paid on the Class B subordinate voting shares during the period from January 1, 2021 to December 31, 2021.

(2) Based on the closing price of the Class B subordinate voting shares on December 31, 2021 of CDN $1.68 and converted from Canadian dollars to US dollars based on an exchange rate of 0.7849 as of December 31, 2021.

Please refer to “Appendix (Stock Options and 2010 Deferred Share Units” for relevant details on DSUs and the DSU Plan and 2010 DSUP.

INCENTIVE PLAN AWARDS FOR PIERRE BEAUDOIN – VALUE REALIZED ON EXERCISE AND VALUE VESTED OR EARNED DURING THE FINANCIAL YEAR ENDED DECEMBER 31, 2021

Name	Option-Based Awards – Value Realized on Exercise During the Year(1) ($)	Option-Based Awards – Value Vested During the Year(2) ($)	Share-Based Awards – Value Vested During the Year(3) ($)	Non-Equity Incentive Plan Compensation – Value Earned During the Year(4) ($)
Pierre Beaudoin	—	—	—	—

(1) During 2021, no stock options were exercised by Pierre Beaudoin.

(2) The value is determined assuming the stock options would have been exercised on the vesting date of each relevant grant, based on the difference between the closing price of the Class B subordinate voting shares as of that date and the exercise price, and an exchange rate from Canadian dollars to US dollars on the vesting date. Some of these options have not been, and may never be, exercised, and actual gains, if any, on exercise will depend on the value of the Class B subordinate voting shares on the date of exercise. Since all stock options held by Pierre Beaudoin had fully vested prior to January 2021, no value vested during the year.

(3) All share-based awards previously granted to Pierre Beaudoin were vested prior to January 2021, no value vested during the year ended December 31, 2021.

(4) As non-executive Chairman of the Board of Directors since July 1, 2017, Pierre Beaudoin is no longer eligible to participate in the short-term and long-term incentive plans.

Deferred Share Unit Plan (“DSU Plan”) and 2010 Deferred Share Unit Plan (“2010 DSUP”)

Please refer to “Appendix (Stock Options and 2010 Deferred Share Units)” for relevant details on DSUs and the DSU Plan and 2010 DSUP.

No DSUs were granted to Mr. Beaudoin during the financial years ended December 31, 2019, 2020 and 2021.

SECTION 4 : CORPORATE GOVERNANCE

Bombardier believes that strong corporate governance is linked to strong corporate performance resulting in sustained profitability and, therefore, enhances shareholder value.

As more fully described below, Bombardier has corporate governance policies and practices which comply with and, in certain instances, even surpass, the requirements of *National Instrument 52-110-Audit Committees* (as amended, "NI 52-110"), which sets out rules regarding the composition and responsibilities of public company audit committees, *National Policy 58-201 Corporate Governance Guidelines* and *National Instrument 58-101-Disclosure of Corporate Governance Practices*.

In addition, Bombardier continuously seeks to strengthen its corporate governance practices by monitoring the coming into effect of new regulatory requirements and the evolution of best practices so as to be able to adjust its policies and practices accordingly, but always in consideration of its own specific circumstances.

COMPOSITION OF THE BOARD OF DIRECTORS

As of the date of this Circular, the Board of Directors is composed of 12 directors. Detailed information on each of the 13 nominees proposed to be elected or re-elected as directors of the Corporation for the current year and their respective attendance records at Board of Directors and committee meetings is found in Sections 2 and 3, respectively, of this Circular.

The Chairman of the Board of Directors is Pierre Beaudoin.

DIRECTOR INDEPENDENCE

The CGNC has determined that 7 of the 12 current directors and 8 of the 13 nominees proposed for election as directors of the Corporation are independent, thus representing more than a majority of the directors, based on the following analysis:

Director	Management	Independent	
		Yes	No
Pierre Beaudoin	Chairman of the Board of Directors		(1) Son of Claire Bombardier Beaudoin who, through holding corporations which she controls, holds (with Janine Bombardier, Huguette Bombardier Fontaine and J. R. André Bombardier) a sufficient number of the voting rights attached to all issued and outstanding voting shares of Bombardier to affect materially the control of Bombardier and of Laurent Beaudoin, former director and Chairman Emeritus of the Board of Directors. (2) Nephew of Janine Bombardier, of Huguette Bombardier Fontaine, of J. R. André Bombardier, former director and Vice Chairman of the Board of Directors and of Jean-Louis Fontaine, former director and Vice Chairman of the Board of Directors. (3) Cousin of Joanne Bissonnette, of Charles Bombardier and of Diane Fontaine.
Joanne Bissonnette			(1) Daughter of Janine Bombardier who, through holding corporations which she controls, holds (with Claire Bombardier Beaudoin, Huguette Bombardier Fontaine and J. R. André Bombardier) a sufficient number of the voting rights attached to all issued and outstanding voting shares of Bombardier to affect materially the control of Bombardier. (2) Niece of Claire Bombardier Beaudoin, of Huguette Bombardier Fontaine, of J. R. André Bombardier, former director and Vice Chairman of the Board of Directors, of Laurent Beaudoin, former director and Chairman Emeritus of the Board of Directors and of Jean-Louis Fontaine, former director and Vice Chairman of the Board of Directors. (3) Cousin of Pierre Beaudoin, Chairman of the Board of Directors, of Charles Bombardier and of Diane Fontaine.
Charles Bombardier			(1) Son of J. R. André Bombardier who, through holding corporations which he controls, holds (with Janine Bombardier, Claire Bombardier Beaudoin and Huguette Bombardier Fontaine) a sufficient number of the voting rights attached to all issued and outstanding voting shares of Bombardier to affect materially the control of Bombardier. (2) Nephew of Claire Bombardier Beaudoin, of Huguette Bombardier Fontaine, of Janine Bombardier, of Laurent Beaudoin, former director and Chairman Emeritus of the Board of Directors and of Jean-Louis Fontaine, former director and Vice Chairman of the Board of Directors. (3) Cousin of Pierre Beaudoin, Chairman of the Board of Directors, of Joanne Bissonnette and of Diane Fontaine.
Diane Fontaine			(1) Daughter of Huguette Bombardier Fontaine who, through holding corporations which she controls, holds (with Janine Bombardier, Claire Bombardier Beaudoin and J. R. André Bombardier) a sufficient number of the voting rights attached to all issued and outstanding voting shares of Bombardier to affect materially the control of Bombardier and of Jean-Louis Fontaine, former director and Vice Chairman of the Board of Directors. (2) Niece of Claire Bombardier Beaudoin, of Janine Bombardier, of J. R. André Bombardier, former director and Vice Chairman of the Board of Directors and of Laurent Beaudoin, former director and Chairman Emeritus of the Board of Directors. (3) Cousin of Pierre Beaudoin, Chairman of the Board of Directors, of Joanne Bissonnette and of Charles Bombardier.
Ji-Xun Foo		✓	
Diane Giard		✓	
Anthony R. Graham		✓	
August W. Henningsen		✓	
Éric Martel	President and Chief Executive Officer		Executive Officer of Bombardier
Douglas R. Oberhelman		✓	
Melinda Rogers-Hixon		✓	
Eric Sprunk		✓	
Antony N. Tyler		✓	

The directorships of all director nominees are described in their respective biographies in Section 2 of this Circular.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS

– **Mandate of the Board of Directors** The mandate of the Board of Directors is reproduced at Exhibit “A” to this Circular and also on the website of Bombardier at www.bombardier.com.

– **Stewardship of Bombardier** In accordance with the CBCA and as stated in its mandate, the role of the Board of Directors is to supervise the management of the business and affairs of the Corporation with the objective of creating sustained profitability and, therefore, enhancing shareholder value.

  It is the role of management to conduct the day-to-day operations of Bombardier in a way that is consistent with the strategic plan, operating plans and budgets approved by the Board of Directors. In this context, the President and Chief Executive Officer of Bombardier makes recommendations to the Board of Directors with respect to matters of corporate strategy and policy. The Board of Directors then makes the decisions which it deems appropriate and supervises the execution of such decisions and reviews the results obtained.

  The Board of Directors decides all matters coming under its jurisdiction pursuant to the CBCA, Bombardier’s Restated Articles of Incorporation and by-laws, any applicable legislation, the policies of Bombardier or the mandate of the Board of Directors and the charter of its three Committees. It also acts in accordance with the Code of Ethics. The Board of Directors may assign to one of its three Committees the prior review of any issues for which the Board of Directors is responsible. The recommendations of a Committee remain, however, subject to the approval of the Board of Directors.

  Any responsibility which is not delegated to either corporate management or a Committee of the Board of Directors remains with the Board of Directors. In general, all matters or policies and all actions proposed to be taken which are not in the ordinary course of business require the prior approval of the Board of Directors or of one of its three Committees to which approval authority is delegated.

– **Strategic planning** Every year, the President and Chief Executive Officer together with senior executive officers present, during special sessions, the strategic orientation, operating plans and budgets of Bombardier for the review and approval of its Board of Directors. As provided for under its mandate, the duties of the Board of Directors include adopting a strategic plan presented by management and updating it, on at least an annual basis, by taking into account, among other things, the opportunities and risks of the business of Bombardier and the emerging trends. The Board of Directors’ duties also include monitoring the implementation of the strategic plan by management.

  The Board of Directors also adopts each year appropriate operating plans and budgets and reviews them on a quarterly basis.

– **Leadership Development and Management Succession Planning** One of Bombardier’s competitive foundations is to have great talent globally. To achieve its strategic objectives, Bombardier’s integrated performance management process (PMP) ensures that employees and management goals, competencies and behaviors are aligned with business strategies while optimizing their learning and development opportunities to become world-class leaders and experts in their field.

  The Board of Directors, through the HRCC, ensures that Bombardier has a succession planning process in place for senior executive leaders and pertinent strategies to ensure the organization strengthens its leadership capabilities and overall talent pipeline.

  Moreover, in 2021, the succession management process was carried out through organizational design sessions in which leadership reviews were held. These sessions culminated in a detailed and integrated leadership assessment.

  In 2022, the succession management process will continue to be reinforced to further support Bombardier’s business strategies, strengthen its talent plans and accelerate its successors’ development to enhance the effectiveness, diversity, skills, knowledge and leadership. Also, we will continue to deploy initiatives, through our Bombardier Academy of Learning, that includes revamped leadership development resources. These initiatives will contribute to developing our leaders so they can drive Bombardier's success.

– **Risk Management** Pursuant to its charter, the Audit Committee assists the Board of Directors in fulfilling its oversight responsibilities with respect to:

  – risk management matters;

  – financing activities;

  – retirement plan fund management; and

  – environmental matters.

  More information on the Audit Committee is provided below in this Section.

– **Executive Succession and Performance** In accordance with its charter, the HRCC assists the Board of Directors in its oversight responsibilities with respect to succession planning for the position of President and Chief Executive Officer of Bombardier and executives reporting to him with respect to their appointment and with respect to the performance assessment of the President and Chief Executive Officer.

  More information on the HRCC is provided below in this Section.

– **Communications policy** The objective of the corporate disclosure policy is to ensure that communications to the investing public about Bombardier are (i) timely, factual and accurate, and (ii) disseminated in a fair and impartial manner in accordance with all applicable legal and regulatory requirements.

  Among other matters, the policy outlines how Bombardier should interact with analysts, investors, the media and other people and contains measures intended to ensure compliance with its timely disclosure obligations and avoid making selective disclosure of information. The Audit Committee has the responsibility, under its charter, of monitoring this policy and updating it, when needed.

  Each of the Board of Directors and the Audit Committee reviews and, where required, approves Bombardier's annual and quarterly financial statements and related management's discussion and analysis, financing documents and press releases in relation thereto prior to their dissemination and/or filing.

  In addition, the Board of Directors is committed to engaging with shareholders and all of Bombardier's stakeholders. There is an internal engagement process to respond to questions and concerns raised by shareholders and other stakeholders pursuant to which all communications from shareholders and other stakeholders are referred to the appropriate executive for response, consideration or action. If and when significant issues are raised, management will in a timely manner advise the Board of Directors of such matters.

  Bombardier communicates with its shareholders and other stakeholders, securities analysts and the media regularly on developments in its businesses and results, through its annual and quarterly financial reports and, when needed, reports to shareholders, press releases and material change reports.

  In addition, the Corporation holds conference calls intended for investors and financial analysts to review the Corporation's financial results, to which all stakeholders may listen by telephone. A live webcast of each such call and relevant financial charts are also made available at www.bombardier.com, as well as a replay shortly after the end of the webcast. The Corporation also occasionally hosts an Investor Day event featuring updates from executives on Bombardier's progress on its business plan, followed by a Q&A session. For all media, shareholders and other stakeholders, a live webcast and relevant financial charts in support of the event are made available at www.ir.bombardier.com, and as of the following day, a replay of the webcast at the same address. In addition, in 2021, members of the Corporation's management team engaged shareholders and their representatives to better understand their views about Bombardier's governance and practices, which included discussions with major institutional shareholders and in person or virtual investor road shows and conferences.

– **Financial reporting** The Board of Directors has delegated to the Audit Committee the responsibility of monitoring and assessing the quality and integrity of Bombardier's accounting and financial reporting systems, disclosure controls and procedures, internal controls and management information systems. For this purpose, the Audit Committee reviews various presentations made periodically by the Executive Vice President and Chief Financial Officer, the Chief Audit Executive or the independent auditors, Ernst & Young, as the case may be.

  More information on the Audit Committee is provided below in this Section.

COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors of Bombardier has three committees.

The charter of each committee provides a position description for its respective Chair. Essentially, the Chair provides leadership to enhance the effectiveness of the committee. The Chair also sets the agenda, ensures that the conduct of meetings provides adequate time for discussion of relevant issues and ensures that the outcome of meetings is reported to the Board of Directors.

– **Audit Committee** It consists of four directors, all of whom are independent. They are also all financially literate as required by NI 52-110.

  Diane Giard is the Chair and Anthony R. Graham, August W. Henningsen and Eric Sprunk are the other members. Please refer to Section 3 of this Circular for the number of meetings held by the Audit Committee between January 1, 2021 and December 31, 2021 and the attendance records of its members.

  Pursuant to its charter (which is available on the website of Bombardier at www.bombardier.com and as Schedule 1 to the Annual Information Form of the Corporation for the financial year ended December 31, 2021, which has been filed with securities regulators at www.sedar.com), the objectives of the Audit Committee are (i) to help the directors meet their responsibilities with respect to accountability; (ii) to assist in maintaining good communication between the directors and Bombardier's independent auditors, Ernst & Young; (iii) to assist in maintaining the independence of Ernst & Young; (iv) to ensure that an appropriate system of internal accounting and financial controls and appropriate risk management frameworks are maintained in view of the significant risks and exposures facing Bombardier; (v) to maintain the credibility and objectivity of the financial reports of Bombardier; and (vi) to investigate and assess any issue that raises significant concerns with the Audit Committee.

  The Audit Committee periodically monitors the adequacy and effectiveness of the disclosure controls and systems of internal control of Bombardier through the reports provided by the Executive Vice President and Chief Financial Officer, the Chief Audit Executive and Ernst & Young, as the case may be.

  As a general rule, all meetings of the Audit Committee are attended by the Chairman of the Board of Directors, the President and Chief Executive Officer, the Executive Vice President and Chief Financial Officer, the Vice President Controller and Chief Accounting Officer and the Chief Audit Executive, as well as by the representatives of Ernst & Young. During such meetings, the

Audit Committee also holds private sessions with each of the President and Chief Executive Officer, the Executive Vice President and Chief Financial Officer, the Chief Audit Executive and the independent auditors to discuss various topics of interest.

– **Human Resources and Compensation Committee** It consists of four directors, all of whom are independent.

Anthony R. Graham is the Chair of the HRCC and Douglas R. Oberhelman, Melinda Rogers-Hixon and Antony N. Tyler are the other members. Please refer to Section 3 of this Circular for the number of meetings held by the HRCC between January 1, 2021 and December 31, 2021 and the attendance records of its members.

None of the HRCC members during the financial year ended December 31, 2021 was an active chief executive officer with a publicly-traded entity. The current members each have experience in executive compensation as either (i) a former chief executive officer of a publicly-traded corporation; (ii) a senior executive officer who had executive responsibility for very sizeable businesses; or (iii) a member of a compensation committee of a publicly-traded corporation. Furthermore, all members of the HRCC have experience in human resources having actively supervised human resources departments and assessed performance with respect to human resources and executive compensation policies and practices. The Board of Directors believes that the members of the HRCC collectively have the knowledge, experience and background required to fulfill their mandate.

Pursuant to its charter (which is available on the website of Bombardier at www.bombardier.com), the objectives of the HRCC are to review, report and, where appropriate, submit recommendations to the Board of Directors regarding the succession planning for the position of President and Chief Executive Officer of Bombardier and executives reporting to him. In addition, it is responsible for ensuring that the President and Chief Executive Officer has put in place and is monitoring succession planning systems and policies for senior executive positions. The internal process with respect to leadership development and management succession planning is described hereinabove in this Section.

The HRCC also reviews and recommends to the Board of Directors the appointment of the President and Chief Executive Officer and those executive officers reporting to him.

The HRCC reviews (i) occupational health and safety matters on a quarterly basis; and (ii) a 12-month consolidated Ethics and Compliance activity report on human resources issues and ensures that monitoring is in place regarding social issues such as employment equity, harassment and discrimination.

The HRCC reviews, assesses and approves a total executive compensation policy that takes into account, among other things, (i) base salary; (ii) short-term incentives; (iii) long-term incentives; and (iv) pension, benefits and perquisites, as well as the risks associated therewith. It reviews the design of equity-based compensation incentive plans and makes appropriate recommendations to the Board of Directors for its approval.

The HRCC also assesses the performance of the President and Chief Executive Officer against his objectives set at the beginning of each financial year and in light of such factors deemed appropriate and in the best interests of Bombardier, and submits its recommendations to the Board of Directors.

The HRCC is also responsible for compensation governance and in that respect, it (i) ensures, via the human resources key performance indicators, that appropriate human resource policies, procedures, practices and systems are in place to attract, motivate and retain the qualified personnel required to meet Bombardier’s business objective; (ii) reviews all aspects of the executive stock ownership guidelines, including compliance therewith; (iii) reviews the compensation disclosure analysis in Bombardier’s management proxy circulars; (iv) monitors compensation trends and emerging issues; and (v) selects and manages the HRCC’s independent compensation consultants, qualifications and fees.

The Chairman of the Board of Directors, the President and Chief Executive Officer and the Senior Vice President, People and Sustainability attend the meetings of the HRCC. They do not have the right to vote on any matter before the HRCC. They do not participate in discussions concerning their own compensation and are required to leave the meetings when appropriate.

Compensation advisors

In February 2011, the HRCC retained Meridian Compensation Partners (“Meridian”) to act as its independent advisor. The executive compensation consulting services provided by Meridian during the financial year ended December 31, 2021 include attendance and presentations at HRCC meetings, reviewing and providing advice on compensation related decisions and reporting on compensation trends and practices. The HRCC did not direct Meridian to perform its services in any particular manner. Ultimately, the decisions are taken by the HRCC and may reflect factors and considerations other than information and recommendations provided by Meridian.

During the financial year ended December 31, 2021, Meridian did not provide any other services to Bombardier or to any of its directors or members of management and the HRCC is satisfied with the independence of Meridian.

In addition, as part of the Corporation's regular practice, management sought the services of management's consultant, Mercer (Canada) Limited ("Mercer"), for ad hoc requests relating to the Corporation's compensation programs, policies and practices. However, Mercer has not been retained to assist the Board of Directors or the HRCC in determining compensation for any of the Corporation's directors or executive officers.

The table below summarizes the fees paid to Meridian, the independent compensation advisor retained in 2021 to assist the Board of Directors or the HRCC in determining compensation for directors or executive officers, for services provided during each of the financial years ended on December 31, 2021 and December 31, 2020.

Mandates and Fees	Financial Year Ended December 31, 2021 ($)	Financial Year Ended December 31, 2020 ($)
	Meridian	
Executive Compensation Related Fees	18,400(1)	33,400(1)
All Other Fees	—	—
Total Fees	18,400(1)	33,400(1)

(1) Fees were converted from Canadian dollars to US dollars based on an average exchange rate of 0.7977 during the year ended December 31, 2021 and on an average exchange rate of 0.7461 during the year ended December 31, 2020.

– **Corporate Governance and Nominating Committee** It consists of four directors, all of whom are independent.

Douglas R. Oberhelman is the Chair of the CGNC and Diane Giard, Melinda Rogers-Hixon and Antony N. Tyler are the other members. Please refer to Section 3 of this Circular for the number of meetings held by the CGNC between January 1, 2021 and December 31, 2021 and the attendance records of its members.

The charter of the CGNC (which is available on the website of Bombardier at www.bombardier.com) provides that it has the responsibility to monitor the selection criteria for candidates as directors and the credentials of nominees for election or re-election as directors, the composition of the Board of Directors and its committees, as well as their performance, and the remuneration of the non-executive directors.

The CGNC also oversees the evolution of Bombardier's corporate governance practices and policies, including the Code of Ethics and the Corporation's environmental, social and governance ("ESG") plan and practices, to ensure that Bombardier continues to comply with high standards of corporate governance and conducts every year an evaluation of the performance and effectiveness of the Board of Directors and its Committees.

The Chairman of the Board of Directors and the President and Chief Executive Officer attend the meetings of the CGNC. They do not have the right to vote on any matter before the CGNC.

– **Strategic Initiatives Working Group (the "Working Group")** It consisted of five directors, a majority of whom were independent.

Vikram Pandit was the Chair of the Working Group and Pierre Beaudoin, Diane Giard, Éric Martel and Douglas R. Oberhelman were the other members.

As previously announced, consistent with its five-year transformation plan, and following a comprehensive review of strategic alternatives, the Corporation had been actively pursuing options to strengthen its balance sheet and enhance shareholder value. In connection with such process, the Board of Directors constituted a working group in February of 2019, composed of a majority of independent directors to assist management with the exploration and assessment of certain strategic options and alternatives for the Corporation, and to report its findings and make recommendations to the Board of Directors. Having completed its transformation plan once it determined the strategy for the distribution of net proceeds related to the sale of its transportation business, the Working Group wound down its work and held its last meeting in February 2021.

LEADERSHIP STRUCTURE

The Corporation determines the most suitable leadership structure from time to time. At present, the Board of Directors has chosen to separate the roles of President and Chief Executive Officer and Chairman of the Board of Directors. Maintaining separate positions for the Chairman of the Board of Directors and the President and Chief Executive Officer allows the Board of Directors to be more efficient in overseeing the Corporation's business and holding management accountable for the Corporation's activities.

Furthermore, the Board of Directors appointed an independent Lead Director, considering that the Chairman of the Board of Directors, Pierre Beaudoin, is not an independent director. The Lead Director, Douglas R. Oberhelman, chairs the meetings of the independent directors of Bombardier as further explained below.

MEETINGS OF THE INDEPENDENT DIRECTORS

A formal structure enables the Board of Directors to function independently of the management of Bombardier.

After each meeting of the Board of Directors, the directors who are not part of corporate management and/or the majority shareholder, namely the Bombardier family, consider whether to meet privately under the chairmanship of Douglas R. Oberhelman, in his capacity of Lead Director. The Lead Director transmits to the Chairman of the Board of Directors, Pierre Beaudoin, and/or the President and Chief Executive Officer, as the case may be, any comments, questions or suggestions raised during such meetings.

Between January 1, 2021 and December 31, 2021, the independent directors held a private meeting after 7 of the 13 meetings held during the year, including one after each of the regularly scheduled quarterly meetings of the Board of Directors and the December meeting.

MANDATES OF THE CHAIRMAN OF THE BOARD OF DIRECTORS, THE CHAIR OF EACH COMMITTEE AND THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

The Board of Directors adopted formal mandates which set out specific responsibilities for each of the Chairman of the Board of Directors, the Chair of each committee and the President and Chief Executive Officer, as follows:

– **Mandate of the Chairman of the Board of Directors**

  As Chairman of the Board of Directors, Pierre Beaudoin is responsible for ensuring that the Board of Directors carries out its responsibilities effectively and clearly, notably in supervising the management of Bombardier's business and affairs, in accordance with the mandate of the Board of Directors reproduced at "Exhibit "A" to this Circular. His specific responsibilities include, among other things:

  – managing the Board of Directors and setting the agenda in consultation with the President and Chief Executive Officer;

  – providing leadership to enhance Board of Directors effectiveness and ensuring that the Board of Directors works as a cohesive team;

  – representing Bombardier in certain customer relations and conferences; and

  – working with the CGNC to ensure the quality and continuity of the Board of Directors by:

    – reviewing the performance of the Board of Directors, its committees and individual directors;

    – making sure the skills and competencies of individual directors are incremental to the Board of Directors as a whole; and

    – ensuring that the Board of Directors develops clear position descriptions for the Chairman and the Chair of each Board of Directors' committee.

– **The mandate and responsibilities of the Chair of each committee are set out in the charter of each committee.**

– **Mandate of the President and Chief Executive Officer**

  The President and Chief Executive Officer is responsible for the management and execution of Bombardier's strategic and operating plans. His specific responsibilities include, among other things:

  – executing the Board of Directors' resolutions and policies;

  – providing long-term strategic orientation in the form of a strategic plan and a business plan;

  – managing Bombardier's commercial and internal affairs by:

    – assuming responsibility for capital management and financial management;

    – implementing decisions with respect to acquisitions, divestitures, financings and similar activities, subject to prior approval of the Board of Directors;

    – ensuring that Bombardier has effective disclosure controls and procedures and internal controls in place; and

    – identifying, assessing and managing the risks involved in the course of business; and

  – representing Bombardier to external groups.

The corporate objectives which the President and Chief Executive Officer is responsible for meeting are determined pursuant to the operating plans and budgets approved each year by the Board of Directors; he is assessed against the achievement of the operating plans and the budgets and he may also be assessed, in part, in relation to specific objectives that have been fixed for him by the Board of Directors upon the recommendation of the HRCC.

At each regular meeting of the Board of Directors, a private session is held involving only the President and Chief Executive Officer and the directors in order to allow them to review and discuss various topics of interest according to the then prevailing circumstances.

RECRUITMENT AND ELECTION OF DIRECTORS

The CGNC, composed of four independent members, has the responsibility of (i) annually reviewing the credentials of nominees for election or re-election as directors, (ii) monitoring the size and composition of the Board of Directors and its committees to ensure an effective decision-making process and (iii) submitting its recommendations to the Board of Directors. The CGNC and the Board of Directors are of the view that its size and composition as well as the mix of talents, quality and skills are well suited to Bombardier's current circumstances and its now completed transition to a company exclusively focused on business aviation, and allow for its efficient functioning as a decision-making body and to promote sound governance.

In consultation with the Chairman of the Board of Directors, Pierre Beaudoin, the CGNC determines appropriate selection criteria, including any additional skill sets deemed to be beneficial, when considering Board of Directors candidates, by taking into account Bombardier's current circumstances and needs, whenever new directors are being recruited.

Taking a strategic approach in connection with the Board of Directors succession process, the members of the CGNC focus their attention on (i) better assessing the functional expertise, experience, skills and backgrounds of the current directors in light of the needs of the Board of Directors and the Corporation, including the extent to which the current composition of the Board of Directors reflects a diverse mix of knowledge, experience, skills and backgrounds, including women representation on the Board of Directors, (ii) determining and anticipating the future needs of the Board of Directors based on the evolution of the business of the Corporation and its external environment; and (iii) identifying the most suitable candidates in order to be in a position to fill an opening on the Board of Directors, given the then prevailing and projected circumstances for the Corporation.

Pierre Beaudoin, in cooperation with the members of the CGNC, identifies potential candidates as directors. The members of the CGNC examine such candidacies and make appropriate recommendations to the Board of Directors. Prior to agreeing to join the Board of Directors, a candidate is fully informed of the workload and time commitment requirements.

SKILLS MATRIX

The following chart summarizes the primary competencies that the Corporation believes is required to effectively oversee and manage the business of the Corporation. The lack of an indicator does not mean that the director does not possess that qualification, skill or experience but rather the indicator represents the primary areas of expertise that the director brings to the Board of Directors.

	Senior executive/ strategic growth leadership	Industry experience/ knowledge	Operations/ manufacturing activities	Brand/ customer experience and sales	International experience	Financial literacy and accounting	Human resources, compensation and labour	Governance	Corporate social responsibility	Capital markets and investor relations	Risk management/ cybersecurity	Government/ regulatory affairs
Pierre Beaudoin	✓	✓			✓			✓				✓
Joanne Bissonnette		✓		✓				✓				
Charles Bombardier		✓			✓			✓	✓			
Diane Fontaine				✓		✓		✓		✓		
Ji-Xun Foo	✓				✓	✓				✓	✓	
Diane Giard	✓			✓		✓		✓			✓	
Anthony R. Graham	✓			✓	✓	✓	✓					
August W. Henningsen	✓	✓	✓		✓	✓						
Éric Martel	✓	✓	✓	✓	✓							
Doug R. Oberhelman	✓		✓			✓		✓			✓	
Melinda Rogers-Hixon	✓			✓			✓		✓		✓	
Eric Sprunk	✓		✓	✓		✓			✓			
Antony N. Tyler	✓	✓			✓		✓					✓

Senior executive/strategic growth leadership Experience as a Chairman or senior executive officer, including experience driving strategic direction and leading growth and/or innovation, of a publicly listed corporation or major organization.

Industry experience/knowledge Strong understanding of the aerospace industry and/or the defence industry.

Operations/manufacturing activities Senior executive experience leading/managing operations or manufacturing activities.

Brand/customer experience and sales Experience in a highly customer-centric products and services company.

International experience Senior executive experience working in a publicly listed corporation or major organization carrying on business in one or more countries and/or continents.

Financial literacy and accounting Experience with, or understanding of, financial accounting and reporting, internal financial controls and corporate finance, and familiarity with Canadian or US GAAP and/or IFRS.

Human resources, compensation and labour Experience with, or understanding of, executive compensation, incentive-based compensation and benefits programs, pension plans, talent recruitment and management, succession planning, leadership development, workplace culture, diversity and inclusion, and management of organized labor in a large operating company.

Governance Experience with, or understanding of, leading corporate governance practices and accountability of a publicly listed corporation or major organization.

Corporate social responsibility Experience with, or understanding of, corporate social responsibility/sustainability initiatives and best practices, including ESG and occupational health and safety, and their relevance to the company's business and strategy.

Capital markets and investor relations Experience with, or understanding of, corporate finance, complex financial transactions, investment banking and mergers & acquisitions, as well as investor relations, corporate reputation and stakeholder management.

Risk management/cybersecurity Experience with, or understanding of, internal risk controls, risk assessment, risk management and/ or reporting, including with respect to governance of information systems and technology and cybersecurity.

Government/regulatory affairs Experience with, or understanding of, the workings of government and public policy, both domestically and internationally.

MAJORITY VOTING POLICY WITH RESPECT TO THE ELECTION OF DIRECTORS

Bombardier has a majority voting policy with respect to the election of its directors. Forms of proxy for the vote at a shareholders' meeting where directors are to be elected will enable each shareholder to vote in favour of, or to withhold from voting, separately for each nominee. The policy stipulates that if, with respect to any particular nominee, the numbers of shares voted and withheld exceeds the number of shares voted in favour of the nominee, then the nominee would, as a result, submit their resignation promptly after the meeting, for the CGNC's consideration. The CGNC would then make a recommendation to the Board of Directors after reviewing the matter, and the Board of Directors' decision to accept or reject the resignation offer would be disclosed to the public through a press release. The nominee would not participate in any committee or Board of Directors deliberations on the resignation offer. The policy would not however apply in circumstances involving contested director elections.

DIVERSITY POLICY

In satisfying the Corporation's commitment to selecting the best persons to propose to shareholders as candidates for the Corporation's Board of Directors and to designate as members of management of the Corporation, the Board of Directors believes that diversity is important to ensure that the profiles of directors and members of management provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management. The Corporation is committed to a merit based system for Board of Directors and management composition within a diverse and inclusive culture which solicits multiple perspectives and views and is free of conscious or unconscious bias and discrimination.

Accordingly, Bombardier has adopted a diversity policy which outlines its approach to achieving and maintaining diversity on its Board of Directors and in executive officer and management positions, and in addition to gender and other designated minority groups (being Aboriginal peoples, members of visible minorities and persons with disabilities), the Corporation will continue to strive for the appropriate balance of skills, experience, independence and knowledge of Bombardier and the industry as a whole as well as alignment with the Corporation's strategy. This includes requirements for the Board of Directors to establish measurable objectives for achieving diversity on the Board of Directors and in executive officer and management positions, and for the appropriate Board of Directors committees to monitor the implementation of the policy, assess the effectiveness of the Board of Directors nomination process and the appointment process for executive officer and management positions at achieving the objectives of the policy and to measure the Corporation's annual and cumulative progress made in achieving the diversity goals and gender diversity targets.

On September 29, 2020, the President and Chief Executive Officer of Bombardier signed the BlackNorth Pledge as part of Bombardier's commitment to fight anti-Black racism in Canada. In 2021, Bombardier has achieved several milestones in line with the Corporation's commitment to fight anti-Black racism in Canada.

The CGNC and HRCC are responsible for monitoring the implementation and effectiveness of the diversity policy. As such, these committees assess on a periodic basis, (i) the mix of diversity, talents, quality and skills on the Board of Directors and in executive officer and management positions; and (ii) progress made on diversity, including with regard to the achievement of measurable objectives and targets set pursuant to the diversity policy. The CGNC and HRCC then report their findings to the Board of Directors.

Bombardier is a global company present in 12 countries, representing 99 nationalities and 7 languages. Wherever it operates, and across every part of its business, it strives to create a diverse and inclusive culture, reflecting a diversity of competencies, genders, ages, personal qualities, geographical representation, business and cultural background, experience and overall expertise. As at December 31, 2021, Bombardier had 13,800 employees. Pursuant to its diversity policy, as originally implemented in 2015 (and amended in 2020), Bombardier aspires to (i) maintain a Board of Directors composition in which women comprise at least 30% of all directors, and (ii) attain, and thereafter maintain, at least 25% of management positions held by women, as relevant positions become vacant and appropriately-skilled candidates are available.

As at December 31, 2021, the target set for women directors had been achieved as women comprised 33.33% of all directors of the Corporation. The percentage representing the number of women on the Board of Directors is expected to decrease to 30.77% at the close of the Meeting (assuming the election of the 13 proposed nominees at the Meeting), thus maintaining the achievement of the diversity policy's target for women directors, the whole as set out in the following table:

Category	Objective Percentage	Financial Year Ended December 31, 2021		Financial Year Ended December 31, 2020	
		Number	Percentage	Number	Percentage
Number of women in management positions[1]	30%	167/660	25.3%	523/2,743	19.1%
Number of women in executive officer positions	N/A	2/11	18.2%	1/11	9.1%
Number of women on the Board of Directors	30%	4/12	33.3%	4/12	33.3%

(1) Manager and up positions

As at December 31, 2021, two of the executive officers of the Corporation self-identified as a woman and none as a member of another designated minority group identified by the CBCA, while four members of the Board of Directors self-identified as women. Of the 13 nominees for election as directors at the Meeting, four self-identify as women and one self-identifies as a visible minority within the diversity categories of the CBCA.

The achievement of the specific targets is influenced by a number of factors, such as the frequency at which relevant positions become vacant and the availability of appropriately-skilled candidates, in light of Bombardier's strategic needs as company exclusively focused on business aviation.

The Corporation believes promotion of diversity is best served through careful consideration of all of the knowledge, experience, skills and backgrounds of each individual candidate for the Board of Directors or the executive officers and other management positions in light of the changing needs of the Board of Directors and the Corporation as well as alignment with the Corporation's strategy in the context of its now completed transition to a company exclusively focused on business aviation, without focusing on specific diversity characteristics and, accordingly, has not adopted specific diversity targets beyond gender for Board of Directors and management positions.

The CGNC and HRCC will continue to monitor the application of the policy, with a view to achieving, or to continue to satisfy, as applicable, the objectives of the policy, and may revisit the suitability of adopting specific diversity targets beyond gender in Board of Directors or executive officer positions to incorporate broader standards of diversity now that its transition journey to a company exclusively focused on business aviation is complete.

When assessing the composition of the Board of Directors or identifying suitable candidates for appointment or re-election to the Board of Directors, the CGNC, composed entirely of independent directors, considers candidates on merit against objective criteria having due regard to the benefit of diversity and the needs of the Board of Directors. In consultation with the Chairman of the Board of Directors, the CGNC develops, reviews and monitors appropriate selection criteria for Board of Directors membership that strive to attain a diversity of competencies, gender, personal qualities, geographical representation, business background, cultural background, diversified experience, overall expertise, financial competency and independence, taking into account Bombardier's changing circumstances and strategic needs in its current transformation journey.

In the process of searching for qualified Board of Directors candidates, the CGNC strives for the inclusion of diverse groups, knowledge, and viewpoints. To accomplish this, the CGNC seeks qualified Board of Directors candidates from beyond the networks of existing Board members and may retain an executive search firm to help meet the Board of Directors' diversity objectives. In particular, the CGNC:

– will seek to include diverse candidates in any director search by taking into account that qualified candidates may be found in a broad array of organizations, including government, academic institutions, privately held businesses, non-profit organizations, trade associations and professions such as accounting and law, in addition to the traditional corporate environment;
– considers diversity criteria and potential candidates from a variety of cultural and geographic backgrounds, among other relevant criteria, when determining the optimum composition and balance for the Board of Directors;
– periodically reviews Board of Directors recruitment and selection criteria to ensure that diversity remains a component of any search; and
– in order to support the specific objective of diversity, considers the level of representation of women and members of other minority groups for Board of Directors positions when nominating candidates for election or re-election to the Board of Directors.

The CGNC and the Board of Directors are of the view that its size and composition as well as the mix of talents, quality and skills, assuming the election of the proposed nominees at the Meeting, are well suited to Bombardier's changing circumstances and strategic needs and allow for its efficient functioning as a decision-making body and promote sound governance in a manner that serves its changing business and strategic needs.

The HRCC, composed entirely of independent directors, has the mandate to oversee the succession planning for the President and Chief Executive Officer and a number of selected senior executive positions, with the appointment and promotion of other members of management being delegated to management. In compliance with the Corporation's diversity policy, in fulfilling such role, the HRCC and, where applicable, management:

– considers candidates that are qualified based on their experience, education, expertise, personal qualities and general and sector-specific knowledge;
– makes decisions on appointments and promotions on the basis of performance, skill and merit;
– periodically reviews recruitment and selection criteria to ensure that diversity remains a component of any executive officer search;
– reviews potential candidates from a variety of cultural and geographic backgrounds and perspectives, with the Corporation's diversity objectives in mind including, without limiting the generality of the foregoing, the specific objective of increasing diversity; and
– considers the level of representation of women and members of other designated minority groups in senior management when making executive officer and management appointments.

The Corporation's commitment to diversity is further reflected in the Code of Ethics pursuant to which Bombardier shall offer equal employment opportunities without regard to any distinctions based on age, gender, sexual orientation, disability, race, religion, citizenship, marital status, family situation, country of origin or other factors, in accordance with the laws and regulations of each country where it does business.

Moreover, the Corporation embraces the role of women in society, and promotes gender diversity. Bombardier is a member of diversity associations within the aviation sector, including Women in Aviation International, International Aviation Women's Association, and offers different scholarships to support the development of women in aviation. It also participates in conferences and work sessions to lead the conversation on practical ways for women to drive their careers forward.

RETIREMENT AGE POLICY/TERM LIMITS FOR DIRECTORS

The Board of Directors does not limit the time a director can serve. While term limits can help ensure the Board of Directors gains a fresh perspective, imposing such a restriction would deprive the Board of Directors from the contributions of longer serving directors who have developed a deeper knowledge and understanding of Bombardier over time. The Board of Directors does not believe that long tenure impairs a director’s ability to act independently of management.

Under the retirement age policy for the directors of the Corporation, any director who turns 72 years of age prior to the next annual shareholders meeting has to submit their resignation by the February Board of Directors meeting of the same year to the Chairman of the Board of Directors, Pierre Beaudoin, and the members of the CGNC. They then evaluate whether to accept this resignation depending on the needs of the Board of Directors and circumstances of Bombardier at that time. If the resignation is not accepted, each subsequent year, it will again be evaluated. If accepted, however, the resignation will become effective at the close of the annual meeting of shareholders.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

The CGNC has the responsibility to review periodically the compensation of the directors, in light of both market conditions and practices as well as their risks and responsibilities. It reviews the types of compensation and the amounts paid to directors of publicly-traded companies in Canada and the United States that have international operations comparable in size and complexity to Bombardier, and makes appropriate recommendations to the Board of Directors. Any such review covers the directors (excluding however those who are executives of the Corporation) as well as the committee members and Chairs.

The CGNC also reviews periodically director share ownership guidelines.

The compensation received by the directors between January 1, 2021 and December 31, 2021 is disclosed in Section 3 of this Circular.

As explained in this Section of the Circular, the HRCC is responsible for reviewing, assessing and approving a total executive compensation policy and reviewing the design of equity-based plans. The compensation received by the NEOs between January 1, 2021 and December 31, 2021 is disclosed in Section 5 of this Circular.

ASSESSMENT OF THE DIRECTORS

Each year, the members of the CGNC conduct an evaluation of the performance and effectiveness of the Board of Directors and its Committees. Each director is asked to complete a detailed questionnaire submitted by the Senior Vice President, General Counsel and Corporate Secretary to assess the performance of (i) the Board of Directors and (ii) as the case may be, each committee on which they sit. In addition, the Senior Vice President, General Counsel and Corporate Secretary interviews each director in order to obtain their comments or recommendations about the performance of (i) the Board of Directors or (ii) as the case may be, each committee on which they sit. A summary of the results of each evaluation is submitted to the review of the CGNC and the Chairman of the Board of Directors.

Independent directors also meet periodically with both the Chairman of the Board of Directors and the Chairman of the CGNC to discuss their respective performance and any matter or issue they wish.

The CGNC periodically assesses, with the Chairman of the Board of Directors, the operation and strategic direction of the Board of Directors and its committees, their respective size, composition and structure, the performance of the directors both as a group as well as individually, the adequacy of information given to the directors, the communication between the Board of Directors and management and the processes related to the Board of Directors and its committees. The CGNC presents its findings and conclusions to the Board of Directors. The directors and members of each committee also receive a summary of the results of their respective evaluations for their review.

The annual assessment of the performance of the Board of Directors and its three committees also provides an opportunity to periodically review, and if deemed appropriate, revise their respective mandates.

ORIENTATION AND CONTINUING EDUCATION PROGRAMS

– **Orientation programs for new directors** Bombardier has an orientation program for new directors, which enables them to participate in an initial information session on the Corporation in the presence of some of its executives to learn about, among other matters, its business, financial situation and strategic planning.

  In addition, new directors are furnished with appropriate documentation, including a director’s manual, providing them with information about, among other matters, the corporate governance practices of Bombardier, the structure of the Board of Directors and its committees, its history, its current commercial activities, its corporate organization, the charters of the Board of Directors and its committees setting forth their respective roles and responsibilities, Bombardier's Restated Articles of Incorporation and by-laws, the Code of Ethics and relevant corporate policies.

The meetings in which new directors participate (including the annual sessions for the review of the strategic orientation, operating plans and budgets) as well as discussions with other directors and with Bombardier's executives also permit new directors to familiarize themselves rapidly with Bombardier's operations.

– **Continuing education program for directors** Bombardier encourages its directors to pursue continuing education activities which could provide them with information as to the best practices associated with boards and committees and as to emerging trends that may be relevant to their role as directors.

  In addition, Bombardier's corporate management periodically makes presentations to the directors on various topics, trends and issues related to Bombardier's activities during the meetings of the Board of Directors or its committees, as the case may be, which helps the directors to constantly improve their knowledge about Bombardier and its businesses.

Visits of Bombardier's various facilities are also arranged, from time to time, for the Board of Directors, and individual visits may also be done upon request.

CONFLICT OF INTERESTS

In order to allow the directors and executives to exercise independent judgment in considering a particular transaction or agreement in which a director or an executive has a material interest, the following principles apply: (i) the director or the executive is required to inform their colleagues of any potential conflict of interest they may have in connection with a particular transaction or agreement before it is brought to the attention of their colleagues for discussion and/or decision; and (ii) they will then be required, depending on the transaction or agreement under consideration, to either leave the meeting while their colleagues review the matter at hand or while remaining present during the meeting, refrain from participating in any manner in the discussion involving their colleagues or the decision that they make.

ETHICAL BUSINESS CONDUCT

– The Code of Ethics addresses ethical conduct in Bombardier's work environment, business practices and relationships with external stakeholders. The principles set out in the Code of Ethics reflect Bombardier's belief that honesty and integrity foster a positive work environment that strengthens the confidence of all stakeholders.

– The Code of Ethics is reviewed periodically and was most recently updated in 2021 to reflect the evolution of laws, regulations and social context.

– The Code of Ethics applies at all times, without exception, to all the directors and to all of Bombardier's employees and managers. Bombardier's suppliers and partners, as well as third parties (such as agents), are also expected to adhere to the Code of Ethics when dealing with or acting on behalf of Bombardier.

– The Code of Ethics explains the standards of behavior expected from everyone to whom it applies in their daily activities and in dealings with others, including how to deal with conflicts of interests. It does not foresee every situation that might arise. Rather, it identifies guiding principles to help one make decisions consistent with Bombardier's values and reputation.

– The Code of Ethics outlines the key responsibilities of leaders within Bombardier which are to provide a model of high standards of ethical conduct and to create a work environment reflecting both the content and the spirit of the Code of Ethics. Selected members of management are required to take part in a mandatory Code of Ethics compliance certification process. The certification process is designed to provide management with additional assurance on public disclosures and required corporate officer certifications; this process also (i) helps integrate the Code of Ethics into Bombardier's governance system; (ii) ensures that the Code of Ethics is a top priority within the leadership team; and (iii) promotes integrity as a core value.

– The Corporation has implemented strong compliance processes and a comprehensive training program to guide its employees in connection with their decision-making. Each of these tools is reviewed and updated on a continuous basis, the details of which can be found in the Environmental, Social and Governance Report ("ESG Report") which is available at www.bombardier.com.

– Consistent with its commitment and strategic approach to corporate responsibility, Bombardier has deployed a Supplier Code of Conduct. This Code essentially promotes adherence by suppliers to the 10 principles in the area of human rights, labor standards, environment and anti-corruption of the United Nations Global Compact to which Bombardier is a signatory.

– The Chief Ethics and Compliance Officer oversees corporate efforts to promote an ethical work environment and business practices and ensures full adherence to applicable laws and regulations and strict compliance with the Code of Ethics. He reports to the Audit Committee on a quarterly basis.

– In addition, EthicsPoint, a free, independent and confidential reporting system, is available through a website and call centre services offered in multiple languages, 7 days a week, anywhere around the world.

– The Code of Ethics is translated in 16 languages. In addition to being available on the SEDAR website at www.sedar.com, it may also be consulted on the website of Bombardier at www.bombardier.com in each of the 16 languages.

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY GOVERNANCE

Sustainability is an integral part of the Corporation's enterprise strategy, and the Corporation is firmly committed to a sustainable and financially resilient future. The Corporation's vision is to be a leader of sustainable aviation with the most advanced and environmentally responsible products, and with a creative, diverse and engaged workforce. Bombardier sees the management of ESG risks and opportunities as an inherent part of Bombardier's success as a business. The Corporation regularly tracks potential sustainability related risks that are shaping its operating environment and develops and implements strategies to progress its performance across sustainability areas. In October 2021, the Corporation published its ESG Report which includes its ESG plan and goals for 2025, as well as the Corporation's sustainability performance of 2020. The ESG Report can be found on our website at www.bombardier.com/en/sustainability.html.

The Board of Directors has the overall responsibility to supervise the management of Bombardier's business and affairs. The Board of Directors has delegated to the CGNC oversight of sustainability and corporate social responsibility, including monitoring of the Corporation's ESG plan, practices, related policies, and disclosure with respect to same. The CGNC receives quarterly reports from the Senior Vice President, People and Sustainability, who informs the committee of the progress in executing ESG strategies, of performance against goals, and of developments in sustainability practices. The CGNC reports to the Board of Directors on key developments and performance of the Corporation in the area of sustainability and corporate social responsibility. The CGNC also reviews and recommends to the Board of Directors approval of the Corporation's ESG plan and the ESG Report.

Our Sustainability team leads the Corporation's sustainability practice, in consultation with a range of stakeholders, including our senior leadership. The sustainability team reports to Bombardier's Senior Vice President, People and Sustainability, who, together with the President and Chief Executive Officer and other executive officers, are responsible for the development and evolution of the Corporation's overall ESG strategy, goals and programs. For more information on the Corporation's approach to sustainability, see the Environmental, Social and Governance Considerations section of our 2021 Annual Information Form, available on our website at www.bombardier.com/en/investors/financial-reports and on the SEDAR website at www.sedar.com.

EXECUTIVE SUMMARY

EXECUTIVE COMPENSATION PHILOSOPHY AND PRINCIPLES

One of the most important responsibilities of the HRCC is to ensure that Bombardier attracts, retains and appropriately incentivizes current and prospective members of the leadership team. The Corporation's executive compensation program plays a key role in meeting this responsibility. In setting the Corporation's compensation structure and levels, the Corporation is guided by a number of fundamental principles, including:

– **Recognizing that Bombardier competes for the best executive talent globally.** Competition in the Corporation's aerospace business is fierce and the playing field is rarely level. To succeed, Bombardier needs proactive and disciplined leaders who are capable of recognizing and responding to rapidly changing market conditions while engaging a global workforce to drive continuous improvement. This is a unique skill set and the pool of qualified candidates is limited, which means Bombardier competes for the best executive leadership talent globally.

– **Market-based compensation is critical to attracting and retaining the best leaders.** To succeed in a complex and highly competitive environment, the Corporation's compensation packages must be market-based. To ensure this goal is achieved, the HRCC, with the assistance of independent compensation advisors, conducts extensive benchmarking against other global companies of comparable size and complexity. These benchmarking practices, which are described in detail below, are designed to ensure that total executive compensation is in-line with that of the Corporation's competitors in relevant and comparable markets.

– **Executive pay is aligned with performance that creates shareholder value.** The majority of Bombardier's executive compensation – around 75% in the case of the Corporation's most senior executives - is not guaranteed. Rather, it is linked to Bombardier achieving pre-established targets. These targets, described in detail below, are closely aligned with the Corporation's strategic plan and the creation of long-term shareholder value. This incentive-based compensation structure reflects industry best-practices, and is designed to motivate executives to achieve and surpass key performance goals, which in turn are expected to drive shareholder value over the long term.

The following Compensation Discussion and Analysis will explain how these principles were taken into account in setting the 2021 executive compensation at Bombardier.

KEY 2021 ACHIEVEMENTS

In 2021, the Corporation took a significant step forward. While the persisting pandemic served as a catalyst accelerator for the business jet industry, Bombardier successfully completed its transition to a company exclusively focused on business aviation. Some of the notable achievements include:

FINANCIAL RESULTS
2021 reported revenues for the year of $6.1 billion, including business jet revenues of $6.0 billion, which were up 7% year-over-year, driven by higher deliveries, a favorable aircraft mix and strong aftermarket performance at $1.2 billion, up 25% year-over-year.
2021 adjusted EBITDA[(1)] rose 220% from the same period last year, to $640 million, fueled by a better aircraft mix, *Global 7500* aircraft learning curve progress, cost structure improvements and higher aftermarket contributions. Full year reported EBIT from continuing operations is $241 million.
Strong free cash flow[(1)] generation of $100 million from continuing operations for 2021, representing an improvement of $2.0 billion year-over-year, driven by earnings growth and strong order intake. Net additions to PP&E and intangible assets – continuing operations for the full year were $232 million. Adjusted liquidity[(1)] stands strong at $2.1 billion and cash and cash equivalents were $1.7 billion as of December 31, 2021.
Full year unit book-to-bill[(2)] of greater than 1.5 and a diversified backlog of over $12.2 billion representing a $1.5 billion increase from the same period last year and a reflection of continued strong order intake.
Completed deleveraging milestone on 3-year debt maturity runway. Milestone in deleveraging plan achieved with the clearing of debt maturities to December 2024, representing a total debt reduction of ~$3 billion since the beginning of 2021. Adjusted net debt[(1)] stands at approximately $5 billion.
OPERATIONS
Specialized Aircraft deal with U.S Air Force. On June 2, 2021, Bombardier announced an agreement had been entered into between its subsidiary, Learjet Inc. and the U.S Air Force in support of the Battlefield Airborne Communications Node program. The contract included an immediate firm order for one *Global 6000* aircraft, with up to five additional *Global 6000* aircraft.
Launch of *Challenger 3500*. On September 14, 2021, Bombardier launched the *Challenger 3500* aircraft, which represents a major update to the bestselling *Challenger 350* platform. The new aircraft is also the most sustainably designed business jet in its class, a reflection of the fact that sustainability is a top priority in Bombardier's research and development investment.
Delivery of 1000th *Global*. On December 2, 2021, Bombardier delivered its 1000th *Global* as NetJets accepted its first *Global 7500* aircrafts to its fleet. The 1000th *Global* delivery reflects the continued popularity, longevity and reliability of the *Global* family of aircraft as it remains a consistent leader in its class.
ESG
Publishing of first ESG report. On October 27, 2021 Bombardier published its first integrated Environmental, Social and Governance (ESG) report[(3)], which for the first time stated the Corporation's go-forward plan for ESG aspects, while reaffirming its commitment to sustainability. The ESG report is a natural evolution of Bombardier's long-standing commitments of stewarding sustainable growth, building strong communities and upholding the highest ethical standards. These efforts, previously captured in the Corporation's Activity and Corporate Social Responsibility reports, will now be reported and tracked in a consolidated document.

PERFORMANCE MEASURES

The HRCC, which is composed entirely of independent directors, selected adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")[(1)] and Free Cash Flow ("FCF")[(1)] as performance measures for the short-term incentive plan because these measures are critical to completing the Corporation's transition to a company exclusively focused on business aviation and meeting its strategic plan. With the completion of the sale of its Transportation division in January of 2021, Bombardier is fully focused on business aviation. Given this change, management believes that adjusted EBITDA provides a better view of performance going forward than the adjusted Earnings Before Interest and Taxes ("EBIT")[(1)] previously used.

The boxes below explain why the HRCC believes adjusted EBITDA[(1)] and FCF[(1)] are the most appropriate performance measures for Bombardier's short-term incentive plan at the present time.

(1) Non-GAAP financial measure. A non-GAAP financial measure is not a standardized financial measure under the financial reporting framework used to prepare our financial statements and might not be comparable to similar financial measures used by other issuers. Refer to the Non-GAAP and other financial measures section, for definitions of these metrics and reconciliations to the most comparable IFRS measures.
(2) Defined as net new aircraft order in unit over deliveries of new aircraft in unit.
(3) Replaces and integrates Activity and Corporate Social Responsibility reports issued previously.

WHY EBITDA?
Adjusted EBITDA is an important performance metric for Bombardier. It measures the earning power from ordinary operations, excluding depreciation & amortization, interests and taxes. Adjusted EBITDA has been chosen as a measure for the short-term incentive plan because it measures the success of the Corporation in delivering on its key strategic initiatives of creating a more robust and financially resilient business by increasing profitability and managing costs. The HRCC believes that in Bombardier’s current stage of repositioning itself as a business aviation company, return measures are less useful, while a focus on pure profitability ensures a disciplined approach, and that growth achieved will drive shareholder value.

WHY FCF?
FCF is a key metric for performance because it measures Bombardier’s ability to generate internal growth and deleverage the balance sheet. FCF measures the Corporation’s capital allocation process, including working capital management and investments in research and development. The HRCC believes that in a transformation situation, cash is the single most important measure of corporate stability and performance.

EXECUTIVE COMPENSATION HIGHLIGHTS

The Corporation's philosophy is to align executive compensation with performance, and to reward superior accomplishments with higher compensation through performance-based short-term and long-term incentives.

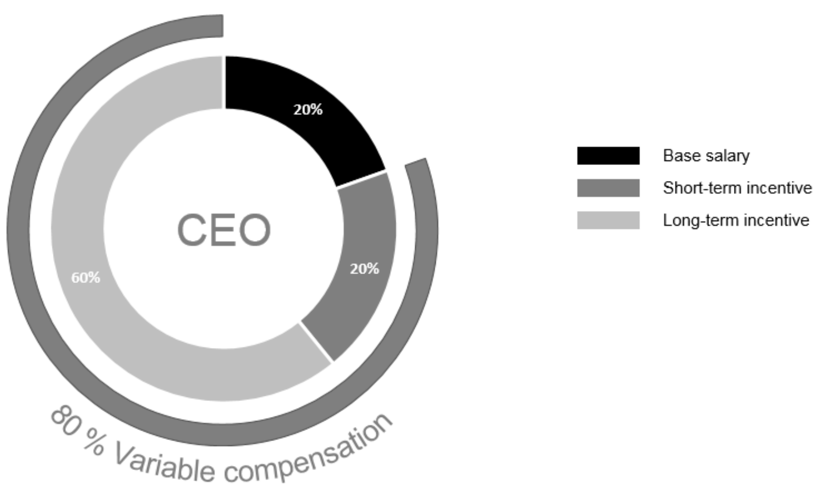
In 2021, total compensation of Bombardier's five most senior executives increased in aggregate as compared with total compensation in 2020. Part of this increase is due to the fact that two of the named executive officers "NEOs", Mr. Martel and Mr. Demosky, joined Bombardier during 2020, and their compensation was hence prorated for the year ended December 31, 2020. Additionally, Bombardier's strong performance during the year ended December 31, 2021 led to the payment of beyond target short-term incentives, which also explain part of the increase.

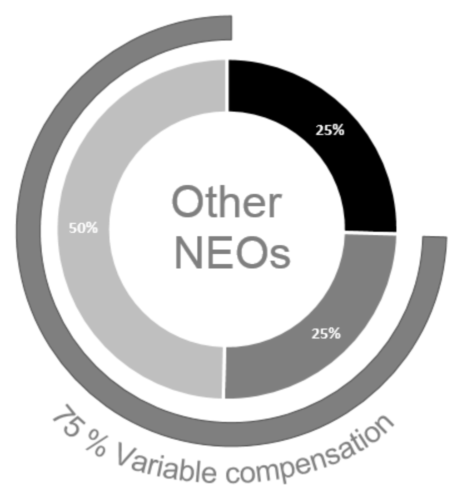
The HRCC did not include the impact of the subsidies received from the Canada Emergency Wage Subsidy ("CEWS") program when assessing financial performance for incentive compensation purposes. The HRCC believes that including wage subsidies would not provide a fair reflection of the underlying performance of the Corporation.

Please also see the performance graph below in this Section.

PAY FOR PERFORMANCE

To reward the executive team for achieving milestones towards the successful repositioning of the Corporation to a company exclusively focused on business aviation, a significant portion of each executive’s pay is linked to meeting financial targets aligned with the short- and long-term goals of the Corporation. The following charts show that around 80% of 2021 target total direct compensation is at risk for the President and Chief Executive Officer and around 75% of 2021 target total direct compensation is at risk for the other NEOs[1] of the Corporation (on average).





[1] Excluding Peter Likoray who is eligible to receive sales commissions under a sales incentive plan, and hence has a different pay-mix.

EXECUTIVE PAY PROGRAM

NAMED EXECUTIVE OFFICERS

This Compensation Discussion and Analysis describes the 2021 compensation of Bombardier's NEOs, who are:

Name	Position	Date of Hire
Éric Martel	President and Chief Executive Officer	April 6, 2020
Bart Demosky	Executive Vice President and Chief Financial Officer	December 1, 2020
Peter Likoray	Senior Vice President, Sales, New Aircraft	July 7, 1990
Daniel Brennan	Senior Vice President, People and Sustainability	February 10, 2017
Paul Sislian	Executive Vice President, Operations	August 2, 2008

COMPENSATION OBJECTIVES

Bombardier's executive compensation program is designed to support the completion of the Corporation's transition to a company exclusively focused on business aviation and to increase shareholder value over the long term by:

– attracting and retaining high-performing executives in the global labour market through compensation that is market competitive;

– motivating and rewarding executives for meeting and exceeding financial and operational goals that support the repositioning of the Corporation to a company exclusively focused on business aviation and drive shareholder value; and

– considering each executive's individual performance.

COMPENSATION ELEMENTS OVERVIEW

The table below shows the key elements of compensation, their respective form and, where applicable, the performance period:

2021 COMPENSATION ELEMENTS					
			Long-Term Incentives		
	Base Salary	Short-Term Incentives(1)	RSUs	PSUs	Stock Options
Term	1 year	1 year	3 years	3 years	7 years
Purpose	Provide fixed level of compensation based on market benchmarking results	Reward individual performance, core competencies and behaviours based on achievement and surpassing of key financial performance measures	Reward creation of longer-term shareholder value and promote retention	Reward creation of long-term shareholder value and achieving specific performance objectives	Further link the interests of executives to those of shareholders by rewarding executives for creating shareholder value
Criteria	Individual performance, responsibilities and scope of role, experience, skills, and overall potential to influence the future success of Bombardier	Individual performance, core competencies and behaviours in light of achievement of financial key performance measures (adjusted EBITDA and FCF)	Value based on the price of Class B subordinate voting shares	Achievement of specific performance measures. Value based on the price of Class B subordinate voting shares.	Value only if the price of Class B subordinate voting shares increases above the option's exercise price
Payment / Vesting	Paid during 2021	Paid in 2022 based on performance achieved in 2021	Paid in 2024	Paid in 2024, only if performance goals are achieved	Exercisable in 2024 or later (vest after three years)
Policy Alignment with Peer Group	Targeting median base salary offered in the Peer Group, while allowing for compensation above the median to recognize an executive's exceptional and sustained contribution to the Corporation's success	Targeting median short-term incentives of the Peer Group when performance objectives are met as adjusted based on individual performance or above the median to recognize exceptional performance	Targeting median total compensation of the Peer Group	Targeting median total compensation of the Peer Group when performance objectives are met, or above the median to recognize exceptional performance	Targeting median total compensation of the Peer Group when share price increases

(1) One of the NEOs, Peter Likoray, is also eligible to receive commissions under a sales incentive plan. See note on page 51.

SAY ON PAY

As a best practice, Bombardier voluntarily adopted a say-on-pay policy in 2011 that gives shareholders an annual vote on the executive compensation program as disclosed in the annual proxy circular. At the 2021 Annual General Meeting, 90.87% of votes cast on the annual advisory vote were in favour of the executive compensation program.

These results demonstrate strong shareholder support for the Corporation's pay program.

The Corporation and the HRCC appreciate the input from shareholders and consider the feedback in making compensation decisions.

COMMITTEE STRUCTURE

The structure of the various Committees of the Board of Directors facilitates assessment of the risks associated with compensation policies and practices. Overlapping memberships noted in the table below provide additional insight into, and in-depth understanding of, the Corporation's business risks and allow the HRCC to access the necessary information to consider the impact of business risks on compensation policies and practices.

HRCC MEMBER	HRCC	AUDIT	CGNC	BOARD MEMBER SINCE
Anthony R. Graham Independent director	C	M		May 2, 2019
Douglas Oberhelman Independent Director	M		C	November 2, 2017
Melinda Rogers-Hixon Independent director	M		M	May 6, 2021
Antony N. Tyler Independent director	M		M	May 11, 2017

C=Chair
M=Member

PAY POLICIES AND PRACTICES

The table below highlights Bombardier's pay and governance policies and best practices:

COMPENSATION AND GOVERNANCE POLICIES AND PRACTICES	
What We Do	What We Don't Do
– Link executive pay to company performance through our short- and long-term incentive plans, including PSUs – Balance among short- and long-term incentives, cash and equity and fixed and variable pay – Target executive compensation at the median of the peer group companies – Set stock ownership guidelines for executives – Maintain a compensation clawback policy to recapture unearned incentive pay – Retain an independent compensation consultant for the HRCC – Ensure that no aspect of the pay policies or practices poses material adverse risk to the Corporation – Provide shareholders an annual Say-on-Pay vote	– No change-in-control provisions – No hedging by executives or directors of equity holdings – No repricing of underwater stock options

The Board of Directors or HRCC, as applicable, sets short-term and long-term incentive key performance measures and targets with the objective of offering payout opportunities that align with Bombardier as a whole and individual executive performance. The Board of Directors and HRCC retain the authority, in their sole discretion, to make adjustments to key performance measures and targets, and the measurement of results, if it is determined that performance relative to pre-established targets does not fully reflect the overall quality of the performance year or if there are material, unforeseen business conditions, circumstances, and events beyond management's control that have a positive or negative effect on financial performance relative to the established targets or certain non-recurring charges or credits unrelated to measured performance.

PEER GROUPS BENCHMARKING

Each NEO's total direct compensation is targeted within a competitive range of the median (50th percentile) of the relevant market for similar roles at comparable companies. In addition, internal factors such as the scope of the role, experience, and sustained performance of the executive are considered in setting compensation.

FACTORS CONSIDERED IN SELECTING PEER GROUP	
– Industry	– Complexity of operations
– Size based on annual revenues	– Number of employees
– Ownership structure (public or private)	– Competitors for talent
– Country of head office or a major subsidiary	– Global scope of operations

The peer group is approved by the HRCC with advice from its independent consultant and designed to accurately reflect the following attributes of the Corporation's business:

ATTRIBUTES OF THE CORPORATION'S BUSINESS		
Complex Business Model	Global Competition	Global Competition for Key Executive Talent
– Multiple manufacturing sites and service centers in many geographic locations – Technical field/advanced technologies – Highly regulated industry	– Global customer base – Complex supply chains	– Limited talent pool with high labour mobility for executives

For 2021, the approved peer group for Bombardier's executive positions is comprised of global Canadian companies, including several in the aerospace and manufacturing sectors (see table below):

COMPARATOR GROUP FOR NEOS			
Aecon Group Inc. Air Canada CAE Inc.	Canadian National Railway Canadian Pacific Railway Celestica Inc. CGI	Finning International National Bank of Canada NFI Group Inc. SNC-Lavalin Group	Stantec Inc. Teck Resources Limited TFI International WSP Global Inc.

COMPENSATION ELEMENTS

BASE SALARY

Each NEO's base salary is targeted within a competitive range of the market median based on benchmarking results for positions of similar responsibility within the Peer Group. Salaries may be adjusted to reflect the NEO's responsibilities, experience, skills, and overall potential to influence the future success of Bombardier. Salary increases are based on a review of individual performance, including key leadership competencies, quality of management, and business results.

SHORT-TERM INCENTIVE PLAN

The NEOs participate in a Short-Term Incentive ("STI") plan designed for Bombardier Inc. The plan motivates the NEOs to achieve and surpass the key performance goals approved by the Board of Directors upon recommendation of the HRCC and to deliver outstanding individual performance and contribution.

Short-term incentive target levels are established based on market benchmarks, expressed as a percentage of base salary for each NEO. The Board of Directors or HRCC, as applicable, sets key performance measures and targets to align payout opportunities with the performance of Bombardier and individual executive performance. Following the end of the year, each NEO's target short-term incentive is multiplied by the percentage of achievement of the applicable financial performance measures, and individual payouts may be adjusted based on a discretionary assessment of individual performance.

Following is an illustration of the process of determining individual payouts.

SALARY **X** TARGET BONUS **X** FINANCIAL RESULTS **X** INDIVIDUAL PERFORMANCE → INDIVIDUAL PAYOUT

The table below sets forth the targets, actual results and payout percentages, as well as the resulting payout percentage, for the financial year ended December 31, 2021:

BOMBARDIER INC. PERFORMANCE AGAINST TARGETS					
KEY PERFORMANCE INDICATORS	TARGET (M$)	ACTUAL AS REPORTED (M$)	ACHIEVEMENT[1]	WEIGHT	FINANCIAL RESULTS FACTOR
Adjusted EBITDA[2]	625.0	640.0	79%	50%	140%
FCF[2]	(279.0)	100.0	200%	50%	

(1) Adjusted for CEWS

(2) Non-GAAP financial measure. A non-GAAP financial measure is not a standardized financial measure under the financial reporting framework used to prepare our financial statements and might not be comparable to similar financial measures used by other issuers. Refer to the Non-GAAP and other financial measures section, for definitions of these metrics and reconciliations to the most comparable IFRS measures.

The HRCC did not include the impact of the subsidies received from the Canada Emergency Wage Subsidy (CEWS) program when assessing the level of achievement of the applicable adjusted EBITDA and FCF targets in determining the 2021 financial results factor. The HRCC believes that including wage subsidies would not provide a fair reflection of the underlying performance of the Corporation.

Past performance with respect to these targets indicates that the incentive plan goals have been challenging since actual results have, on occasion, been below target in recent years. Performance targets are set at a challenging and ambitious level and are attainable with significant management effort and disciplined execution provided that the operating plans are substantially complied with and achieved by management. STI payouts in the past five years as a percentage of target payouts show how Bombardier Inc.'s STI plan has performed with respect to similar goals in the past (with STI payouts in 2017, 2018, 2019, 2020 and 2021 having been 134%, 169%, 0%, 25% and 140% of target, respectively).

Once the year is completed, the HRCC and the Board of Directors assess the individual performance of the President and Chief Executive Officer. In addition, the President and Chief Executive Officer assesses the individual performance of the other NEOs and recommends the individual performance factors to the Board of Directors and HRCC for review and approval. Taking into account all the information reviewed, including the recommendations of the President and Chief Executive Officer, the HRCC makes an informed judgment and recommends, for the Board of Directors' approval, the individual performance factor for each of these NEOs.

The table below summarizes the individual achievements of each NEO considered by the Board of Directors and HRCC in their assessment of individual performance in 2021:

NEO	INDIVIDUAL ACHIEVEMENTS
Éric Martel President and Chief Executive Officer	– Led the strong financial positioning of the Corporation with \$6.1 billion in revenues, an adjusted EBITDA of \$640 million and FCF generation of \$100 million from continuing operations – Completed the Corporation's deleveraging milestone by creating a 3-year maturity runway – Led the growth and improvement of the quality of the Corporation's backlog, with a book-to-bill greater than 1.5 and a diversified backlog of \$12.2 billion – Successfully launched the *Challenger 3500*, the most sustainable designed business jet in its class – Directed the expansion of the Corporation's aftermarket business through enhancements to its worldwide customer service network, the creation of a suite of new services and the launch of its Certified Pre-owned aircraft program – Oversaw the publication of the Corporation's first ESG Report, reaffirming the Corporation's commitment to sustainability
Bart Demosky Executive Vice President and Chief Financial Officer	– Helped strengthen the balance sheet and enhance the Corporation's liquidity – Led the deleveraging milestone on 3-year debt maturity runway with the clearing of debt maturities to December 2024, representing a total debt reduction of approximately \$3 billion since the beginning of 2021 – Delivered a year-over-year increase of 220% on adjusted EBITDA to \$640 million – Generated a strong free cash flow of \$100 million from continuing operations, representing an improvement of \$2.0 billion year-over-year – Provided leadership to grow and improve the quality of the Corporation's backlog
Peter Likoray Senior Vice President, Sales, New Aircraft	– Provided leadership to create a book-to-bill greater than 1.5 and a diversified backlog of \$12.2 billion which reflects a continued strong order intake – Concluded a deal with U.S Air Force for up to six *Global* aircraft in special mission configuration
Daniel Brennan Senior Vice President, People and Sustainability	– Played a key role in supporting the expansion of the Corporation's aftermarket business through resource planning and hiring support – Delivered the Corporation's first ESG Report, reaffirming the Corporation's commitment to sustainability – Finalized the leadership team organizational structure as the Corporation is now exclusively focused on business aviation
Paul Sislian Executive Vice President, Operations	– Launched the *Challenger 3500*, the most sustainable designed business jet in its class – Delivered the 1000th *Global* which reflects the continued popularity, longevity and reliability of the *Global* family of aircraft – Delivered 120 customer aircraft – Led and delivered the learning curve unit cost improvements on the *Global 7500* platform

The following table illustrates the target short-term incentive payable to the NEOs under the STI plan and actual payouts earned for the financial year ended December 31, 2021. Target levels for all NEOs are set to be aligned with the market median of the Peer Group.

NEO	TARGET(1)	ACTUAL INDIVIDUAL PAYOUT FACTOR AS A RESULT OF PERFORMANCE
Éric Martel	125%	140%
Bart Demosky	90%	140%
Peter Likoray(2)	60%	140%
Daniel Brennan	75%	140%
Paul Sislian	90%	140%

(1) Expressed in each case as a percentage of base salary.

(2) Peter Likoray is also eligible to receive commissions under a sales incentive plan

SALES COMMISSIONS

Peter Likoray is eligible to receive commissions under a sales incentive plan. The payment of such commissions is triggered by specific operational results. The Company believes that disclosure of specific metrics and targets under this program would be seriously prejudicial to its interests, as disclosure of such information would reveal details on its strategy.

LONG-TERM INCENTIVE PLANS

Bombardier's PSU, RSU and stock option plans are designed to align executives' interests with shareholder value creation and, in the case of the PSU plan, to focus on achieving financial results with a strong pay-for-performance emphasis, as well as to retain key talent. Bombardier currently awards a combination of PSUs, RSUs and stock options as long-term incentives.

For the financial year ended December 31, 2021, the HRCC provided 50% of the value of long-term incentive grants in the form of PSUs, 30% in the form of stock options and 20% in the form of RSUs to all NEOs. The HRCC believes this combination of long-term incentives ("LTI"), designed to reinforce attraction and retention of key employees during the execution of the current transition of the Corporation to a company exclusively focused on business aviation, is appropriate as the Corporation continued to navigate the economic uncertainty and significant challenges related to the COVID-19 pandemic. LTI grants have the objective of motivating executives to focus their long-term efforts on share price improvement as they work towards the solid execution of the Corporation's strategic plan.

The HRCC believes that these incentive plans meet the executive compensation policy objectives because:

– they recognize and reward the impact of longer-term strategic actions taken by the executives;

– they promote executive retention since the grants vest over three years;

– the vesting of the PSUs is contingent to the attainment of specific financial targets;

– the value of the grants depends on the future market value of the Class B subordinate voting shares;

– for PSUs and RSUs, there is no dilutive effect on shareholders because they are delivered, upon vesting or settlement, in cash or Class B subordinate voting shares purchased on the secondary market; and

– 100% of long-term compensation is contingent on performance and/or correlated with increases in the market value of the Class B subordinate voting shares.

Grant determinations. The HRCC determines the size of long-term incentive grants to be awarded to the NEOs on an annual basis, and reports to the Board of Directors for approval or information, as applicable. Grants are determined by using a grant guideline for each management level within Bombardier based on Peer Group benchmark data, taking into account the executive's potential to contribute to the future success of Bombardier. The size of grants is a function of the current year's compensation objectives and, for that reason, grants made in previous years are generally not considered to determine the grant made to a NEO in any subsequent financial year.

Stock option plan. Stock options provide an incentive tied to increases in the market value of the Class B subordinate voting shares. Please refer to "Appendix (Stock Options and 2010 Deferred Share Units)" for details on stock options and the Stock Option Plan.

Performance share units (“PSUs”). PSUs motivate executives to exceed Bombardier’s financial and non-financial targets through the application of thresholds for payouts that are tied to specific financial targets set by the HRCC.

Restricted share units (“RSUs”). RSUs promote executive retention while motivating executives to increase shareholder value.

Performance Cash Long Term Incentive ("Performance Cash LTI"). The Performance Cash LTIs motivate executives to exceed pre-determined targets set by the HRCC and the Board of Directors. No grants were made under this plan in 2021. Actual payouts will be disclosed in the Summary Compensation Table in the years during which they actually become vested.

2021 PSU grants to NEOs. For 2021 PSU grants to NEOs, the HRCC approved the following performance measures, with vesting percentages between 0% and 200%. The payment at threshold is 50% for a specific key performance measure, with the exception of FCF positive and ESG measures, which pay out at 100% or 0% ("hit or miss").

KEY PERFORMANCE MEASURES
– Cumulative FCF from 2021 to 2023 (30% weighting) – Adjusted net debt to adjusted EBITDA ratio in 2023 (30% weighting) – FCF positive starting in 2022 (20% weighting) – Adjusted EBITDA Margin in 2023 (20% weighting)
ESG MULTIPLIER
– Greenhouse gas emissions (2.5% weighting) – Loss time incidents (2.5% weighting) – Women in management (2.5% weighting) – Employee engagement (2.5% weighting)

2020 grants to NEOs. No PSUs were granted in 2020. Instead, RSUs were awarded. Moreover, two of the NEOs, Eric Martel and Daniel Brennan, received Performance Cash LTIs.

2019 PSU grants to NEOs. For 2019 PSU grants to NEOs, the HRCC approved the following performance measures, with vesting percentages between 0% and 100%. The payment at threshold is 50% for a specific key performance measure.

BUSINESS SEGMENTS	KEY PERFORMANCE MEASURES
Bombardier Inc.	– Cumulative Adjusted EBIT from 2019 to 2021 (35% weighting) – Adjusted EBIT margin in 2021 (15% weighting) – Cash at 2021 financial year-end (35% weighting) – FCF in 2021 (15% weighting)
Bombardier Aviation Bombardier Transportation	– Cumulative Adjusted EBIT from 2019 to 2021 (35% weighting) – Adjusted EBIT margin in 2021 (15% weighting) – Cumulative FCF from 2019 to 2021 (35% weighting) – FCF in 2021 (15% weighting)

2018 PSU grants to NEOs. For 2018 PSU grants to NEOs, the HRCC approved the following performance measures, with vesting percentages between 0% and 100%. The threshold for a payment is 50% for a specific key performance measure.

BUSINESS SEGMENTS	KEY PERFORMANCE MEASURES
Bombardier Inc.	– Cumulative Adjusted EBIT from 2018 to 2020 (35% weighting) – Adjusted EBIT margin in 2020 (15% weighting) – Cash at 2020 financial year-end (35% weighting) – FCF in 2020 (15% weighting)
Bombardier Aviation Bombardier Transportation	– Cumulative Adjusted EBIT from 2018 to 2020 (35% weighting) – Adjusted EBIT margin in 2020 (15% weighting) – Cumulative FCF from 2018 to 2020 (35% weighting) – FCF in 2020 (15% weighting)

Long-term incentive performance targets are not disclosed at time of grant because they contain highly sensitive commercial data, as well as key strategic information. Public disclosure would seriously prejudice Bombardier’s interests and weaken its ability to compete. Disclosure of long-term incentive performance targets could also potentially be interpreted inappropriately as market guidance. Past performance for Bombardier Inc. with respect to these targets indicates that the incentive plan goals have been challenging since the vesting percentages in the past five years have been below target (with LTI vesting percentages for grants made in 2014, 2016, 2017 and 2018 having been 0%, 92%, 57% and 20% respectively). The 2015 grants were delivered in RSUs, therefore no applicable performance targets apply.

Following the end of each financial year, the HRCC approves the results of prior years’ performance measures to authorize payouts in respect of PSUs reaching the vesting date during the year.

CALCULATION FOR THE 2018 PSUs PERFORMANCE VESTING

The 2018 PSU grants vested in May 2021 and below is the calculation of the overall vesting percentage.

	EBIT Cumulative 2018-2020	EBIT % in 2020	Cash Year-End 2020	FCF 2020	Overall Vesting Percentage[(1)]
Weight	35%	15%	35%	15%	
Target	3,650	7.20%	2,500	800	20%[(2)]
Actual	678	(5.70)%	2,450	(3,034)	
Payout	0%	0%	58%	0%	

* For the 2018 PSUs, the overall vesting percentage for the business segments was based 60% on Bombardier Inc. results and 40% on the business segment's results. The vesting performance result for Bombardier Aviation was 0%; therefore the overall vesting percentage for Bombardier Aviation was 12% (60% of 20%)

(1) Adjusted for CEWS
(2) In relation to the sale of the Transportation business to Alstom, Daniel Brennan's 2018 PSUs were contingent upon achieving the applicable performance objectives in accordance with their terms, with the exception that all applicable performance objectives for financial years after 2019 were to be deemed achieved at target, leading to an overall vesting percentage of 35%.

The HRCC did not include the impact of the subsidies received from the Canada Emergency Wage Subsidy (CEWS) program when assessing the overall vesting percentage for the 2018 PSUs. The HRCC believes that including wage subsidies would not provide a fair reflection of the underlying performance of the Corporation.

Dividend equivalents. PSUs and RSUs confer the right to receive dividend equivalents to be paid in cash at the same rate as the cash dividends (if any) paid on Class B subordinate voting shares. Dividend equivalents, if any, are paid at the end of the three-year vesting period, and in the case of PSUs, in accordance with the applicable performance vesting conditions.

RETIREMENT BENEFITS AND PERQUISITES

Bombardier provides pension, benefits and perquisites competitive with the market median of the Peer Group. The NEOs participate in defined contribution pension plans and/or in defined benefit pension plans. More details about these pension plans are set out under "Pension Plans."

Benefit plans for executives cover accidental death and dismemberment insurance, business travel insurance, life insurance, long-term disability, medical services, and dental coverage. Bombardier offers the following limited perquisites:

- an amount allocated for the leasing, use, and maintenance of a company-provided car that depends on the level of responsibility of the executive; executives must pay any excess amount through payroll deductions;
- a complete annual medical check-up;
- financial counseling; and
- only for the President and Chief Executive Officer, the use of corporate aircraft for personal reasons.

The President and Chief Executive Officer did not use the Bombardier corporate aircraft for personal reasons in 2021.

COMPENSATION GOVERNANCE

COMPENSATION RISK ASSESSMENT

The HRCC reviews and assesses the Corporation's compensation and incentive plans to ensure that they allow for appropriate business risks without encouraging excessive risk-taking behaviors. In 2021, the HRCC engaged Meridian as its independent advisor to review the risks associated with the Corporation's compensation programs, and neither Meridian, nor the HRCC identified any risks that are reasonably likely to have a material adverse effect on the Corporation. Risk-mitigation factors include the following:

- balanced pay mix among fixed and variable pay and cash and equity;
- pay benchmarked to market data;
- incentives tied to multiple time periods (short-, mid-, and long-term) and a variety of performance objectives;
- limited perquisites and no change-of-control benefits;
- clawback policy;
- anti-hedging policy;
- stock ownership guidelines;
- independent compensation consultant for the HRCC; and
- annual awards of equity-based incentives with overlapping vesting periods ensure that executives remain exposed to the risks of their long-term decision making.

STOCK OWNERSHIP GUIDELINES

Bombardier has adopted Stock Ownership Guidelines to link executives' interests with those of shareholders. Each NEO is required to build and hold a portfolio of shares and share units with a value equal to at least the applicable multiple of his base salary noted in the following table:

NEO	MULTIPLE OF SALARY
Éric Martel	5x
Bart Demosky	3x
Peter Likoray	3x
Daniel Brennan	3x
Paul Sislian	3x

The value of the portfolio is determined based on the greater of the value at the time of acquisition or the market value of the Bombardier shares held on December 31st of each calendar year. To assess the level of ownership, Bombardier includes the value of shares owned, RSUs and outstanding vested in-the-money stock options.

There is no prescribed period to reach the stock ownership target. However, executives are not allowed to sell shares acquired through the settlement of RSUs/PSUs or the exercise of stock options until they have reached their individual target, except to cover the cost of acquiring the shares and applicable taxes.

ANTI-HEDGING POLICY

Employees may not engage in hedging or monetization transactions or any form of derivative transactions relating to Bombardier securities, including “puts” and “calls,” and may not sell Bombardier securities that they do not own (short sales).

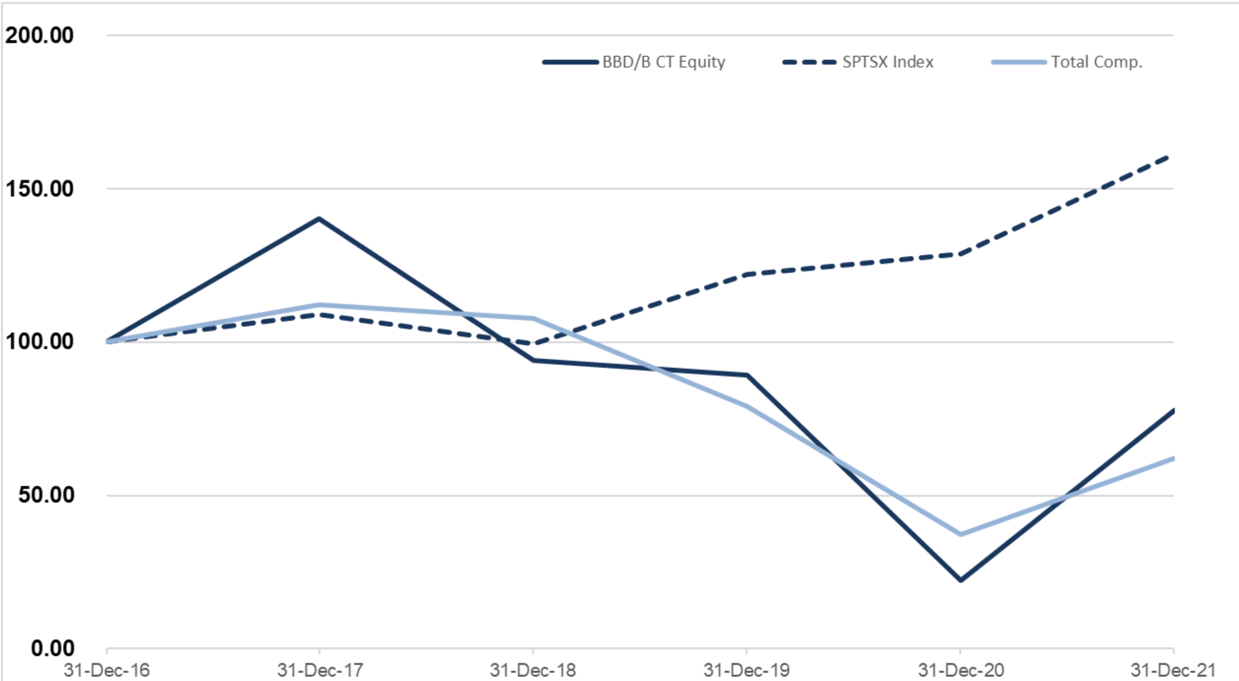
CLAWBACK POLICY

Under its Clawback Policy, Bombardier, at the discretion of the Board of Directors, can recover from the NEOs, as well as certain other executives, overpayments of incentive compensation in the event of fraud, dishonesty or misconduct that contributes to non-compliance which results in Bombardier's obligation to prepare an accounting restatement. Incentive awards that have been paid or vested may be recouped and unvested long-term incentive grants may be cancelled to the extent of any excess amount that was received in the circumstances reflected by the accounting restatement. Bombardier has not yet encountered a situation where a compensation recoupment or adjustment has been required in the circumstances described above.

PERFORMANCE GRAPH

The following performance graph shows Bombardier's cumulative TSR over its five most recently completed financial years, assuming an amount of $100 was invested on December 31, 2016 in Class B subordinate voting shares of Bombardier and in the S&P/TSX Composite Index, as well as the evolution of the total compensation earned by the NEOs over the same period.

PERFORMANCE OF THE CLASS B SUBORDINATE VOTING SHARE OF BOMBARDIER FROM DECEMBER 31, 2016 TO DECEMBER 31, 2021



COMPOUND ANNUAL GROWTH RATE (Including dividends)
Bombardier (1): -4.90%
S&P/TSX (2): 10.05%

(1) Return on Class B subordinate voting shares, including dividends reinvested, if any.

(2) Return on S&P/TSX index, including dividends reinvested.

(Index: Closing Price December 31, 2016 = 100 and Total NEO Compensation for the fiscal year ended December 31, 2016 = 100) Total compensation for the NEO is based on the fiscal year prior to the closing stock price.

The performance graph above shows the following trends in total compensation and performance:

– for 2017, the graph shows an increase in TSR and a lesser increase in total compensation;

– for 2018, the graph shows a decrease in TSR and slight decrease in total compensation;

– for 2019, the graph shows a slight decrease in TSR and a decrease in total compensation;

– for 2020, the graph shows a decrease in TSR and a similar decrease in total compensation; and

– for 2021, the graph shows an increase in the TSR and an increase in total compensation.

It is important to note that:

– NEOs are compensated on the basis of performance metrics that the Corporation considers to be fundamental and tied to long-term shareholder value creation, rather than on the basis of short-term performance of the Corporation's shares on the market. The HRCC believes adjusted EBITDA and FCF are the most appropriate performance measures for Bombardier's compensation policy at the present time as they provide a direct link with the operational goals which are management's core focus.

– A substantial portion of NEO pay is at-risk. In addition to long-term incentive equity-based awards, short-term incentive payouts are made based on the successful performance of key financial objectives that are tied to the business plan for Bombardier Inc. These at-risk components for the NEOs in 2021 are around 75% of their respective total compensation.

– Moreover, a significant proportion of executive compensation is granted in the form of long-term equity-based incentives, which are calculated based on grant date fair values, despite the fact that actual values will be realized only to the extent that any applicable performance targets are met and the Corporation's share price increases. For instance, as shown in this Circular, actual results have been below target and/or minimum vesting threshold in recent years, in which cases actual gains were never realized. In the longer term, NEO compensation is directly affected by the Corporation's share price performance. Stock option, RSU and PSU awards directly correlate to the share price and are therefore aligned with shareholder returns.

– Although the graph compares Bombardier's TSR performance to that of market indices, the Corporation believes five-year TSR is not currently a meaningful measure for a company that just completed a major multi-year transformation plan. However, this position could be reconsidered going forward.

– Stock price performance is affected by various factors and trends, many of which are unrelated to Bombardier's financial and operational performance, such as economic uncertainty and industry trends related to the COVID-19 pandemic, oil price movements, macroeconomic growth rates, and geopolitical developments, as well as the factors listed under "Forward-looking Statements".

Notes on calculation

For purposes of calculating total compensation earned by NEOs, only those NEOs employed as at December 31 of the relevant year were included and all compensation elements were annualized if an NEO was employed only for a portion of the year, and any sign-on cash payments, sign-on long-term incentive grants, and one-time payments made to cover costs of relocation were excluded.

SUMMARY COMPENSATION TABLE

The Summary Compensation Table shows the annual compensation information for each of the NEOs of Bombardier for the three most recently-completed financial years.

In 2021, total compensation of the Corporation's five most senior executives increased in aggregate as compared with total compensation of the five most senior executives in 2020, excluding the former President and Chief Executive Officer and former Senior Vice President and Chief Financial Officer (refer to the Corporation's 2020 Proxy Circular). This increase is attributable to three main factors:

– Two of the NEOs below, namely Eric Martel and Bart Demosky, were hired effective on April 6, 2020 and on December 1, 2020 respectively; their compensation reported for 2020 was hence prorated to their entry date and did not reflect a full year of compensation;

– The Corporation delivered a strong financial and operational performance in 2021, which led to the payment of above-target bonuses and sales commissions. The payout factor for the 2021 bonuses was 140% of target, compared to 25% of target in 2020;

– Some one-time payments made to certain NEOs in 2021 were conditional to the Corporation's successful transition to a company exclusively focused on business aviation, which was completed in 2021.

The HRCC did not include the impact of the subsidies received from the Canada Emergency Wage Subsidy (CEWS) program when assessing the level of achievement of applicable financial performance targets in determining incentive compensation. The HRCC believes that including wage subsidies would not provide a fair reflection of the underlying performance of the Corporation.

Name and Principal Position	Financial Year Ended December 31	Base Salary ($)	Share-Based Awards (PSUs, RSUs or DSUs) ($)	Option-Based Awards(1) ($)	Non-equity Incentive Plan Compensation: Annual Incentive Plan(2) ($)	Non-equity Incentive Plan Compensation: Long-term Incentive Plan(3) ($)	Pension Value(4) ($)	All Other Compensation(5) ($)	Total Compensation ($)
Eric Martel President and Chief Executive Officer	2021	900,900	2,016,800(6)	864,400(6)	1,570,500	483,200	23,300	252,300	6,111,400
	2020	542,400	745,200(7)	496,800(7)	566,600	—	20,800	583,700	2,955,500
	2019	—	—	—	—	—	—	—	—
Bart Demosky Executive Vice President and Chief Financial Officer	2021	500,500	691,500(6)	296,400(6)	628,200	—	23,300	304,400	2,444,300
	2020	34,100	482,600(7)	—	8,700	—	6,800	4,100	536,300
	2019	—	—	—	—	—	—	—	—
Peter Likoray Senior Vice President, Sales, New Aircraft	2021	320,300	403,400(6)	172,900(6)	1,938,700	—	655,500	64,000	3,554,800
	2020	196,400	304,800(7)	—	1,159,900	—	(1,100)	16,800	1,676,800
	2019	196,800	185,400(8)	185,400(8)	2,277,800	—	16,900	17,400	2,879,700
Daniel Brennan Senior Vice President, People and Sustainability	2021	420,400	576,200(6)	247,000(6)	439,800	262,800	23,300	847,300	2,816,800
	2020	358,600	456,100(7)	304,000(7)	88,100	—	20,800	321,100	1,548,700
	2019	395,700	741,700(8)	741,700(8)	—	—	20,500	61,600	1,961,200
Paul Sislian Executive Vice President, Operations	2021	490,100	691,500(6)	296,400(6)	621,200	—	191,800	27,700	2,318,700
	2020	447,700	762,000(7)	—	201,400	—	96,100	22,500	1,529,700
	2019	432,100	741,700(8)	741,700(8)	412,800	—	467,400	37,500	2,833,200

* All compensation amounts were paid in Canadian dollars to all NEOs. The base salary and annual incentive plan amounts were converted from Canadian dollars to US dollars based on the average exchange rates during the year, of (i) 0.7977 for the financial year ended December 31, 2021, (ii) 0.7461 for the financial year ended December 31, 2020, and (iii) 0.7537 for the financial year ended December 31, 2019. The exchange rates used for the share-based awards and option-based awards are provided below in the notes to this table, and for the pension value in the notes to the "Defined Contribution Plans" and "Defined Benefits Plans" tables.

(1) The Black-Scholes pricing model is used to calculate the fair value of the awards on the grant date, as it is the methodology also used for accounting purposes.

(2) Short-term incentives are paid in cash in the year following the financial year in which they are earned. In the case of Peter Likoray, the amounts in the column include commissions earned under a sales incentive plan.

(3) Eric Martel and Daniel Brennan received part of their 2020 long-term incentive grants in the form of a Performance Cash LTI. For Mr. Martel, the first tranche of this grant was paid on May 27, 2021. This represents an amount of CDN $583,334 converted to US dollars based on an exchange rate of 0.8283. For Mr. Brennan, the first tranche of this grant was paid on November 25, 2021. This represents an amount of CDN $332,500 converted to US dollars based on an exchange rate of 0.7903. Please refer to the "Long-term incentive plans" of Section 5 of this Circular.

(4) Refer to the tables "Defined Contribution Plans" and "Defined Benefit Plans" of this Circular and to previous years' circulars for the two previous years.

(5) The table below sets forth the amounts attributable to each of the compensation items included in "All Other Compensation" for each NEO in 2021. For all NEOs in respect of the financial year ended December 31, 2021, the amounts shown exclude the value of perquisites because they are less than CDN $50,000 or 10% of total salary.

All other compensation

The following table sets forth the amounts attributable to each of the compensation items included in "All Other Compensation" for each NEO in 2021:

Executive	Supplemental DC Plan /Savings Account[(a)] ($)	Relocation Costs and Tax Equalization Payments[(b)] ($)	Lump Sum Cash Payment[(c)] ($)	Other Employee Benefits[(d)] ($)	Total ($)
Éric Martel	196,700	—	—	55,600	252,300
Bart Demosky	74,700	196,200	—	33,500	304,400
Peter Likoray	28,300	—	—	35,700	64,000
Daniel Brennan	59,100	—	785,600	2,600	847,300
Paul Sislian	14,300	—	—	13,400	27,700

(a) The contributions to the Supplemental DC Plan based on base salary have been made on December 23, 2021 for Éric Martel, Bart Demosky and Daniel Brennan at an exchange rate from Canadian dollars to US dollars of 0.7803 and on December 30, 2021 for Paul Sislian and Peter Likoray at an exchange rate from Canadian dollars to US dollars of 0.7827.

(b) As per the global mobility policy, relocation costs include temporary accommodation expenses, tax equalization payments, commuter allowances and tax financial expenses including preparation of income tax returns. The relocation costs represent the difference between the aggregate incremental costs to Bombardier in comparison to the costs which would have otherwise been covered pursuant to the global mobility policy generally offered to salaried employees of Bombardier. All amounts were converted from Canadian dollars to US dollars based on the average exchange rate during the year of 0.7977.

(c) Daniel Brennan received a retention bonus following the successful completion of the sale of the Transportation business to Alstom. This bonus represents an amount of CDN $997,500. It was paid on February 18, 2021 and converted to US dollars based on at an exchange rate of 0.7876.

(d) This represents the aggregate costs to Bombardier for post-retirement benefits and the estimated costs to Bombardier for the premium paid for group insurance in excess of that generally available to salaried employees.

(6) The estimated fair value of PSUs and RSUs granted is determined by applying the weighted average trading price of the Class B subordinate voting shares on the TSX for the five trading days before the grant date and an exchange rate from Canadian dollars to US dollars. For all NEOs, it reflects the estimated fair value of PSUs and RSUs granted on June 11, 2021, determined by applying the weighted average trading price of the Class B subordinate voting shares on the TSX for the five trading days before the grant date, which was CDN $1.07, and the exchange rate from Canadian dollars to US dollars was of 0.8232.

The estimated value of stock options granted on June 11, 2021 to all NEOs was determined by applying a Black-Scholes factor of 0.57 to the weighted average trading price of the Class B subordinate voting shares on the TSX for the five trading days before the grant date, which was CDN $1.07, and an exchange rate from Canadian dollars to US dollars of 0.8232. The underlying assumptions used to determine the accounting value of the options granted on June 11, 2021 are as follows: risk free rate of 0.82%, dividend yield of 0%, share price volatility of 69.83%, expected term of 5 years and a Black-Scholes factor of 57%.

(7) The estimated fair value of RSUs granted is determined by applying the weighted average trading price of the Class B subordinate voting shares on the TSX for the five trading days before the grant date and an exchange rate from Canadian dollars to US dollars. For Éric Martel, it reflects the estimated fair value of RSUs granted on May 14, 2020, determined by applying the weighted average trading price of the Class B subordinate voting shares on the TSX for the five trading days before the grant date, which was CDN $0.46, and the exchange rate from Canadian dollars to US dollars was of 0.7097. For Bart Demosky, it reflects the estimated fair value of RSUs granted on December 1, 2020, on which date the weighted average trading price of the Class B subordinate voting shares on the TSX for the five trading days before the grant date was CDN $0.48 and the exchange rate from Canadian dollars to US dollars was of 0.7721. For Paul Sislian, Daniel Brennan and Peter Likoray, it reflects the estimated fair value of RSUs granted on November 12, 2020, on which date the weighted average trading price of the Class B subordinate voting shares on the TSX for the five trading days before the grant date was CDN $0.30 and the exchange rate from Canadian dollars to US dollars was of 0.7620. For RSUs, the estimated fair value and the accounting value are equivalent.

The estimated fair value of stock options granted on May 14, 2020 to Éric Martel was determined by applying a Black-Scholes factor of 0.415 to the weighted average trading price of the Class B subordinate voting shares on the TSX for the five trading days before the grant date, which was CDN $0.46, and an exchange rate from Canadian dollars to US dollars of 0.7097. The estimated fair value of stock options granted on November 12, 2020 to Daniel Brennan was determined by applying a Black-Scholes factor of 0.415 to the weighted average trading price of the Class B subordinate voting shares on the TSX for the five trading days before the grant date, which was CDN $0.30, and an exchange rate from Canadian dollars to US dollars of 0.7620.The accounting value of the options granted on May 14, 2020 was $689,900 for Éric Martel and the accounting value of the options granted on November 12, 2020 was $411,300 for Daniel Brennan. The difference between the accounting value and the estimated fair value of the options granted on May 14, 2020 as presented in this table is $193,100 for Éric Martel. The difference between the accounting value and the estimated fair value of the options granted on November 12, 2020 as presented in this table is $107,300 for Daniel Brennan. The estimated fair value is based on a Black-Scholes calculation that reflects Bombardier's expected future volatility. The difference between the accounting value and the grant date fair value of the options is due to the use of different underlying assumptions. The underlying assumptions used to determine the accounting value of the options granted on May 14, 2020 are as follows: risk free rate of 0.36%, dividend yield of 0%, share price volatility of 70.96%, expected term of 5 years and a Black-Scholes factor of 57.63%. The underlying assumptions used to determine the accounting value of the options granted on November 12, 2020 are as follows: risk free rate of 0.45%, dividend yield of 0%, share price volatility of 68.53%, expected term of 5 years and a Black-Scholes factor of 56.14%. The underlying assumptions used to determine the estimated fair value of the options granted on May 14, 2020 and November 12, 2020 are as follows: risk free rate of 0.60%, dividend yield of 0%, share price volatility of 47.70%, expected term of 5 years and a Black-Scholes factor of 41.50%.

(8) The estimated fair value of PSUs granted on May 9, 2019 was determined by applying a performance factor of 0.65 to the weighted average trading price of the Class B subordinate voting shares on the TSX for the five trading days before the grant date, which was CDN $2.21, and an exchange rate from Canadian dollars to US dollars of 0.7417. As disclosed in this Circular, the 2019 PSU grant is performance based and the actual payout value could be anywhere from 0% to 100% of target. The use of a performance factor of 0.65 was determined in consultation with Mercer, management's external compensation consultant, to recognize the payout probabilities associated with the performance vesting conditions of those PSUs. The payout factor used is consistent with actual payouts of similar performance-based plans on the market and is based on a review of the Corporation's previous performance vesting results, the current PSU performance objectives, the external competitive environment, and investment analyst perspectives. The accounting value of the PSUs granted on May 9, 2019 was $1,141,100 for Paul Sislian and Daniel Brennan and $285,300 for Peter Likoray, based on an accounting performance factor of 1. The difference between the accounting value and the estimated fair value of the PSUs granted on May 9, 2019 as presented in this table is $399,400 for Paul Sislian and Daniel Brennan and $99,900 for Peter Likoray. The difference between the accounting value and the grant date fair value of the share units as presented in this column is due to the performance factor of 1 applied for accounting purposes versus the performance factor of 0.65 applied for purposes of determining the grant date fair value.

The estimated fair value of stock options granted on May 9, 2019 was determined by applying a Black-Scholes factor of 0.377 to the weighted average trading price of the Class B subordinate voting shares on the TSX for the five trading days before the grant date, which was CDN $2.21, and an exchange rate from Canadian dollars to US dollars of 0.7417. The accounting value of the options granted on May 9, 2019 was $1,028,700 for Paul Sislian and Daniel Brennan and $257,200 for Peter Likoray. The difference between the accounting value and the estimated fair value of the options granted on May 9, 2019 as presented in this table is $287,000 for Paul Sislian and Daniel Brennan and $71,800 for Peter Likoray. The estimated fair value is based on a Black-Scholes calculation that reflects Bombardier's expected future volatility. The difference between the accounting value and the grant date fair value of the options is due to the use of different underlying assumptions. The underlying assumptions used to determine the accounting value are as follows: risk free rate of 1.55%, dividend yield of 0%, share price volatility of 60.86%, expected term of 5 years and a Black-Scholes factor of 52.29%. The underlying assumptions used to determine the estimated fair value are as follows: risk free rate of 1.56%, dividend yield of 0%, share price volatility of 40.70%, expected term of 5 years and a Black-Scholes factor of 37.70%.

OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS

Option-Based Awards						Share-Based Awards		
NEO	Grant Date	Number of Securities Underlying Unexercised Options at Financial Year-End(1)	Option Exercise Price(2) ($)	Option Expiration Date(3)	Value of Unexercised in-the- money Options at Financial Year End(4) ($)	Number of Share-Based Awards (PSUs/ RSUs) that Have Not Vested at the End of the Financial Year	Share-Based Awards (PSUs/ RSUs) that Have Not Vested at the End of the Financial Year(5)(6) ($)	Market Value of Vested Share-Based Awards (PSUs/ RSUs) not Paid Out or Distributed ($)
Éric Martel	May 14, 2020	3,666,842	0.36	May 14, 2027	3,511,200	2,282,609	3,009,900	—
	June 11, 2021	1,721,594	0.84	June 11, 2028	824,200	2,289,721	3,019,200	—
Bart Demosky	December 1, 2020	—	—	—	—	1,302,084	1,716,900	—
	June 11, 2021	590,261	0.84	June 11, 2028	282,600	785,048	1,035,100	—
Peter Likoray	August 7, 2015	121,778	1.30	August 7, 2022	2,800	—	—	—
	August 12, 2016	238,464	1.55	August 12, 2023	—	—	—	—
	August 4, 2017	231,139	2.01	August 4, 2024	—	—	—	—
	May 10, 2018	134,892	3.24	May 10, 2025	—	—	—	—
	August 10, 2018	169,504	3.87	August 10, 2025	—	—	—	—
	May 9, 2019	300,059	1.73	May 9, 2026	—	174,035	229,400	—
	November 12, 2020	—	—	—	—	1,333,334	1,758,100	—
	June 11, 2021	344,319	0.84	June 11, 2028	164,800	457,945	603,800	—
Daniel Brennan	February 24, 2017	994,845	1.99	February 24, 2024	—	—	—	—
	August 4, 2017	953,449	2.01	August 4, 2024	—	—	—	—
	May 10, 2018	556,429	3.24	May 10, 2025	—	—	—	—
	May 9, 2019	1,200,236	1.73	May 9, 2026	—	696,137	917,900	—
	November 12, 2020	3,204,820	0.24	November 12, 2027	3,471,300	1,995,000	2,630,600	—
	June 11, 2021	491,884	0.84	June 11, 2028	235,500	654,206	862,600	—
Paul Sislian	August 7, 2015	207,584	1.30	August 7, 2022	4,800	—	—	—
	August 12, 2016	268,273	1.55	August 12, 2023	—	—	—	—
	August 4, 2017	288,924	2.01	August 4, 2024	—	—	—	—
	May 10, 2018	252,923	3.24	May 10, 2025	—	—	—	—
	May 9, 2019	1,200,236	1.73	May 9, 2026	—	696,137	917,900	—
	November 12, 2020	—	—	—	—	3,333,334	4,395,400	—
	June 11, 2021	590,261	0.84	June 11, 2028	282,600	785,048	1,035,100	—

(1) As of December 31, 2021, only stock options granted on August 7, 2015, August 12, 2016, February 24, 2017, August 4, 2017, May 10, 2018 and August 10, 2018 were vested.

(2) The exercise price of the stock options in this table is equal to the weighted average trading price of the Class B subordinate voting shares on the TSX for the five trading days before the grant date. The exercise price was converted from Canadian dollars to US dollars based on an exchange rate of 0.7849 as of December 31, 2021.

(3) In accordance with the terms of the Stock Option Plan, (i) if the expiration date of an option falls during, or within 10 business days following the expiration of a Blackout period, such expiration date shall automatically be extended for a period of 10 business days following the end of the Blackout period, (ii) upon retirement or termination without cause, vested stock options must be exercised within three years from the retirement date and at the end of this period, all stock options are cancelled.

(4) The value of unexercised in-the-money options as of December 31, 2021 is the difference between the closing price of the underlying shares as of that date and the exercise price, based on the closing price of the Class B subordinate voting shares of CDN $1.68 and an exchange rate from Canadian dollars to US dollars of 0.7849 as of December 31, 2021, multiplied by the number of securities underlying unexercised options. These options have not been, and may never be, exercised, and actual gains, if any, on exercise will depend on the value of the Class B subordinate voting shares on the date of exercise.

(5) Based on the closing price of the Class B subordinate voting shares on December 31, 2021 of CDN $1.68, assuming 100% of target of plan reached in the case of PSUs, and converted from Canadian dollars to US dollars based on an exchange rate of 0.7849 as of December 31, 2021.

(6) The vesting of all PSUs grants is conditional on the attainment of the applicable performance objectives. The PSUs may also vest at 0%. These estimates do not take into consideration possible future dividend payments.

INCENTIVE PLAN AWARDS — VALUE REALIZED ON EXERCISE AND VALUE VESTED OR EARNED

NEO	Option-Based Awards - Value Realized on Exercise During the Year ($)	Option-Based Awards - Value Vested During the Year(1) ($)	Share-Based Awards - Value Vested During the Year(2) ($)	Non-Equity Incentive Plan Compensation - Value Earned During the Year(3) ($)
Éric Martel	—	—	—	1,570,500
Bart Demosky	—	—	—	628,200
Peter Likoray	—	—	15,600	1,938,700
Daniel Brennan	—	—	83,200	439,800
Paul Sislian	—	—	13,000	621,200

(1) The value is determined assuming the stock options would have been exercised on the vesting date of each relevant grant, based on the difference between the closing price of the Class B subordinate voting shares as of that date and the exercise price, and an exchange rate from Canadian dollars to US dollars on the vesting date. Some of these options have not been, and may never be, exercised, and actual gains, if any, on exercise will depend on the value of the Class B subordinate voting shares on the date of exercise.

(2) The value is determined by multiplying the number of vested PSUs by the closing price of the Class B subordinate voting shares on the vesting date. For the PSUs vested on May 7, 2021, the value is determined by multiplying the number of vested PSUs by the closing price of the Class B subordinate voting shares on May 7, 2021 of CDN $0.94 and an exchange rate from Canadian dollars to US dollars of 0.8226.

(3) The value is the amount of the short-term incentive plan payout, and for Peter Likoray including the amount of commissions, earned the financial year ended December 31, 2021 as disclosed in the “Summary Compensation Table” of this Circular.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER THE STOCK OPTION PLAN AND THE 2010 DSUP

Plan Category	(a) Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights	(b) Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (CDN$)	(c) Number of Securities Remaining Available for further Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
Equity compensation plans approved by security holders	Stock options (1) : 123,065,335 DSUs(2): 501,277	2.22 N/A	Stock options: 31,419,491 DSUs: 22,623,090
Equity compensation plans not approved by security holders	—	—	—
Total	123,566,612		54,042,581

(1) Please refer to “Appendix (Stock Options and 2010 Deferred Share Units)”.

(2) The number of Class B subordinate voting shares issuable pursuant to the 2010 DSUP includes dividend equivalents credited and reflects the applicable payout multipliers (from 0% to 150%) based on the level of achievement of performance measures determined upon vesting in accordance with the terms of the 2010 DSUP.

ANNUAL BURN RATES FOR THE THREE MOST RECENT FINANCIAL YEARS

The following table summarizes the number of stock options and DSUs (under the 2010 DSUP) granted during the periods noted below and the potential dilutive effect of such awards.

Period	Awards Stock Options	Granted DSUs (under 2010 DSUP)	Weighted Average Number of Class A Shares and Class B Subordinate Voting Shares Outstanding (in thousands)	Burn Rate(1)
2019	31,012,132	—	2,383,987	1.30%
2020	6,871,662	—	2,408,209	0.29%
2021	5,695,790	—	2,476,217	0.23%

(1) The Burn Rate for a given period is calculated by dividing the number of stock options and DSUs (under the 2010 DSUP) granted during such period by the weighted average number of Class A shares and Class B subordinate voting shares outstanding during such period.

PENSION PLANS

This section describes the different pension plans the NEOs are participating in.

During 2021, Éric Martel, Bart Demosky and Daniel Brennan participated in the base executive defined contribution pension plan ("Base DC Plan") and the supplemental defined contribution pension plan ("Supplemental DC Plan"). Bombardier contributes a total of 25% of the base salary for Eric Martel and 20% of the base salary for Bart Demosky and Daniel Brennan (in each case, the "Contribution"). The vesting under the Base DC Plan and the Supplemental DC Plan in Canada is immediate.

Under the Base DC Plan, Bombardier contributes an amount up to the Contribution, subject to the limit that can be contributed under the *Income Tax Act* (Canada). For the financial year ended December 31, 2021, the contribution limit under the Base DC Plan is CDN $29,210. The NEOs have a choice of investment funds and are responsible for the investment of the contributions in their respective account. As the earnings in each investment fund are credited based on market conditions, there is no above-market or preferential earnings credited on the contributions.

Under the Supplemental DC Plan, Bombardier contributes the amount, if any, representing the difference between the Contribution and the contribution limit in the Base DC Plan. Contributions are made in December of each year. The contributions to the Supplemental DC Plan constitute a taxable benefit in kind to the NEOs. Hence, an amount, after tax deductions, is deposited either in a non-registered account or paid in cash for the benefit of the NEOs. As the account is non-registered, the NEOs can withdraw any amount from their respective account at their own discretion. As the earnings in each investment fund are credited based on market conditions, there is no above-market or preferential earnings credited on the contributions.

Paul Sislian participates in two defined benefit pension plans where i) benefits payable from the basic plan correspond to 2% of average base salary in the three continuous years of service during which he is paid his highest salary (up to the maximum earnings according to the *Income Tax Act* (Canada) which for 2021 is CDN $162,278) multiplied by the number of years of credited service and ii) the supplemental plan provides for additional benefits of 2.25% of average base salary, multiplied by the number of years of credited service up to August 31, 2013 plus 1.75% of average base salary, multiplied by the number of years of credited service from September 1, 2013, up to 40 years of service, less the pension payable from the basic plan. Paul Sislian also participates in the Supplemental DC Plan. Bombardier contributes a total of 3% of the base salary into the Supplemental DC Plan.

Peter Likoray participates in two defined benefit pension plans where i) benefits payable from the basic plan correspond to 1% of average base salary in the three continuous years of service during which he is paid his highest salary (up to the maximum earnings according to the *Income Tax Act* (Canada) which for 2021 is CDN $324,556) multiplied by the number of years of credited service and ii) the supplemental plan provides for additional benefits of 2.25% of average base salary, multiplied by the number of years of credited service up to August 31, 2013, up to 40 years of service, less the pension payable from the basic plan. Peter Likoray also participates in the Supplemental DC Plan. Bombardier contributes a total of 3% of the base salary and 12% of the base salary in excess of CDN $198,733 into the Supplemental DC Plan.

All NEOs who participate in a defined benefit pension plans have vested rights in case of termination.

Short-term incentives paid are not considered in the computation of pension benefits.

All pension benefits payable from these plans are in addition to government social security benefits.

DEFINED CONTRIBUTION PLANS

The following table sets forth the reconciliation of the accumulated value of the Base DC Plan for each of the NEOs participating in a defined contribution pension plan between January 1, 2021 and December 31, 2021. The Supplemental DC Plan contributions are reported under the column "All Other Compensation" in the "Summary Compensation Table" of Section 5 of this Circular.

NEO	Accumulated Value as of January 1, 2021 ($)	Compensatory Changes(1) ($)	Accumulated Value as of December 31, 2021(2) ($)
Éric Martel	24,100	23,300	51,500
Bart Demosky	7,200	23,300	33,500
Peter Likoray	290,300	9,600	335,200
Daniel Brennan	105,000	23,300	156,500
Paul Sislian	60,700	--	65,300

(1) Compensatory changes represent the contributions made by Bombardier. Contributions are converted from Canadian dollars to US dollars based on the average exchange rate of 0.7977 during the financial year ended December 31, 2021.

(2) The accumulated value includes employer and employee contributions and investment earnings of the financial year ended December 31, 2021. The values were converted from Canadian dollars to US dollars based on an exchange rate of 0.7849 as of December 31, 2021.

DEFINED BENEFITS PLANS

The following table sets forth the reconciliation of the total obligations with respect to the defined pension benefits payable to the NEOs participating in a defined benefit pension plan between January 1, 2021 and December 31, 2021.

NEO	Number of years of credited service		Annual Benefits Payable(1)		Opening Present value of Obligation as of Dec. 31, 2020(2)	Changes of Obligation During the Year		Closing Present value of Obligation as of Dec. 31, 2021 (5)
	Dec 31.2021	Age 65	Dec. 31, 2021 ($)	Age 65 ($)		Compensatory Change ($)(3)	Non Compensatory Change ($)(4)	
Peter Likoray	29.1	38.5	133,600	156,300	2,316,200	645,900	124,500	3,086,600
Paul Sislian	13.3	27.2	123,400	241,100	2,443,900	191,800	(178,100)	2,457,600

(1) Based on the average base salary over the last three years and (i) credited service on December 31, 2021 and (ii) upon attainment of age 65. The values were converted from Canadian dollars to US dollars based on an exchange rate of 0.7849 as of December 31, 2021.

(2) The values were converted from Canadian dollars to US dollars based on an exchange rate of 0.7849 as of December 31, 2020

(3) Includes the employer changes in compensation compared to actuarial assumptions. The values were converted from Canadian dollars to US dollars based on the average exchange rate of 0.7977 during the financial year ended December 31, 2021.

(4) Impact of all other changes including interest on prior year's obligation plus change in discount rate used to measure the obligations, changes in the other assumptions and experience gains or losses (other than compensation related gains or losses) and variations in exchange rates. The values were converted from Canadian dollars to US dollars based on the average exchange rate of 0.7977 during the financial year ended December 31, 2021.

(5) The values were converted from Canadian dollars to US dollars based on an exchange rate of 0.7849 as of December 31, 2021.

- the amounts presented in the table above are estimates based on assumptions and employment conditions that can change over time. Pension obligations shown above are based on the assumptions used in Bombardier's financial statements and in accordance with the International Financial Reporting Standard(s) (IFRS) accounting standards for their valuation as of the plans' measurement date. The method used to determine any estimated amounts may differ from that used by other companies and, for that reason, any comparison of the estimated amounts of Bombardier's pension benefits obligations with those of other companies should be interpreted with caution.

TERMINATION AND CHANGE OF CONTROL PROVISIONS

Bombardier's policy is to request the inclusion of non-solicitation, non-disclosure and non-compete provisions in any termination or severance agreements or arrangements with the NEOs, and, subject to any individual agreement or arrangement which may be entered into between Bombardier and any of the NEOs, a separation allowance is paid only if the employment is terminated by the Corporation for any reason other than just cause.

In the case of Éric Martel, there is an agreement pursuant to which he would be entitled to receive a separation allowance in an amount equal to 24 months of his base salary and target short-term incentive if his employment was terminated by the Corporation without cause.

In the case of Bart Demosky, there is an agreement pursuant to which he would be entitled to receive a separation allowance in an amount equal to 12 months of his base salary and target short-term incentive if his employment was terminated by the Corporation without cause.

There is no agreement currently in place providing for a severance to Peter Likoray should his employment be terminated without cause. However, in the event that his employment be terminated without cause, a severance would be paid in accordance with applicable law.

In the case of Daniel Brennan, there is an agreement pursuant to which he would be entitled to receive a separation allowance in an amount equal to 18 months of his base salary and target short-term incentive if his employment was terminated by the Corporation without cause.

In the case of Paul Sislian, there is an agreement pursuant to which he would be entitled to receive a separation allowance in an amount equivalent to 15 months of his base salary if his employment was terminated by the Corporation without cause.

The table does not include the value of insurance benefits that could be continued for a few months following the occurrence of the respective event since they are generally available to all salaried employees.

Estimated Incremental Amounts Payable upon the Following Events Assumed to Occur on December 31, 2021			
NEO	Retirement ($)	Termination without Cause ($)	Death ($)
Eric Martel	—	3,973,600(1)	—
Bart Demosky	—	932,100(2)	—
Peter Likoray	—	—(3)	—
Daniel Brennan	—	1,081,700(4)	—
Paul Sislian	—	606,300(5)	—

(1) Lump sum amount equal to 24 months of base salary and target STI. Amounts were converted from Canadian dollars to US dollars based on an exchange rate of 0.7849 as of December 31, 2021.

(2) Lump sum amount equal to 12 months of base salary and target STI. Amounts were converted from Canadian dollars to US dollars based on an exchange rate of 0.7849 as of December 31, 2021.

(3) Will be based on civil law requirements.

(4) Lump sum amount equal to 18 months of base salary and target STI. Amounts were converted from Canadian dollars to US dollars based on an exchange rate of 0.7849 as of December 31, 2021.

(5) Lump sum amount equal to 15 months of base salary. Amounts were converted from Canadian dollars to US dollars based on an exchange rate of 0.7849 as of December 31, 2021.

The following table describes the consequences resulting from different types of termination from employment on the entitlement to the benefits of the Bombardier compensation programs assuming the event took place on December 31, 2021, subject to any individual agreement or arrangement which may be entered into between Bombardier and any of the NEOs. Subject to exceptions, only the accrued and vested benefits are paid under each of the compensation plans.

Retirement	
Severance Payment	None for voluntary retirement
Short-Term Incentive	Entitled to pro-rata of short-term incentive for portion of financial year prior to retirement date
Stock Options	If retirement on or after age 55 with 5 or more years of service, the size of the grant is reduced in proportion to the length of service between the award date and the date of departure to the length of the total vesting period. The reduced number of stock options must be exercised in the following three years and regular vesting rules continue to apply during that period. If retirement on or after age 60 with 5 or more years of service or unreduced early retirement eligible under an approved Bombardier retirement plan, the size of the grant is not affected and stock options must be exercised in the following three years and regular vesting rules continue to apply during that period.
Performance Share Units	If retirement on or after age 55 with 5 or more years of service, PSU grant is reduced in proportion to the length of service between the award date and the date of departure to the length of the total vesting period and will be paid at the end of the vesting period, subject to meeting the applicable performance objectives. If retirement on or after age 60 with 5 or more years of service or unreduced early retirement eligible under an approved Bombardier retirement plan, the size of the grant is not affected and will be paid at the end of the vesting period, subject to meeting the applicable performance objectives.(1)
Restricted Share Units	If retirement on or after age 55 with 5 or more years of service, RSU grant is reduced in proportion to the length of service between the award date and the date of departure to the length of the total vesting period and will be paid at the end of the vesting period. If retirement on or after age 60 with 5 or more years of service or unreduced early retirement eligible under an approved Bombardier retirement plan, the size of the grant is not affected and will be paid at the end of the vesting period.
Deferred Share Units	Upon retirement, DSUs already vested are settled in Class B subordinate voting shares before the last day of the calendar year of retirement. All unvested DSUs expire immediately.
Performance Cash LTI	If retirement on or after age 55 with 5 or more years of service, Performance Cash LTI grant is reduced in proportion to the length of service between the award date and the date of departure to the length of the total vesting period and will be paid at the end of the vesting period, subject to meeting the applicable performance objectives. If retirement on or after age 60 with 5 or more years of service or unreduced early retirement eligible under an approved Bombardier retirement plan, the size of the grant is not affected and will be paid at the end of the vesting period, subject to meeting the applicable performance objectives.(1)
Pension Plan	Pension benefits start being paid according to plan rules.
Benefits and Perquisites	Some benefits could continue up to age 65 depending on the number of years of service. Perquisites expire upon retirement.
Commissions	Entitled to receive payment of commissions earned and payable until retirement date
Termination Without Cause	
Severance Payment	Will be based on common or civil law requirements, except as described in “Termination and Change of Control Provisions” of Section 5 of this Circular.
Short-Term Incentive	None, except as described in “Termination and Change of Control Provisions” of Section 5 of this Circular.
Stock Options	The size of the grant is reduced in proportion to the length of service between the award date and the date of departure to the length of the total vesting period. The reduced number of stock options must be exercised in the following three years and regular vesting rules continue to apply during that period.
Performance Share Units	The PSU grant is reduced in proportion to the length of service between the award date and the date of departure to the length of the total vesting period and will be paid at the end of the vesting period, subject to meeting the applicable performance objectives.
Restricted Share Units	The RSU grant is reduced in proportion to the length of service between the award date and the date of departure to the length of the total vesting period and will be paid at the end of the vesting period.
Deferred Share Units	Upon termination, DSUs already vested are settled in Class B subordinate voting shares before the last day of the calendar year of termination. All unvested DSUs expire immediately.
Performance Cash LTI	The Performance Cash LTI grant is reduced in proportion to the length of service between the award date and the date of departure to the length of the total vesting period and will be paid at the end of the vesting period, subject to meeting the applicable performance objectives.
Pension Plan	Value of pension benefits payable in accordance with local legal requirements
Benefits and Perquisites	All benefits and perquisites expire immediately or after a minimal period of a few months.
Commissions	Entitled to receive payment of commissions earned and payable until termination date

Death	
Severance Payment	None
Short-Term Incentive	Entitled to pro-rata of short-term incentive for portion of financial year prior to the date of death
Stock Options	Already vested stock options could be exercised within the following 12 months.(2)
Performance Share Units	The PSU grant is reduced in proportion to the length of service between the award date and the date of death to the length of the total vesting period and will be paid at the end of the vesting period, subject to meeting the applicable performance objectives.
Restricted Share Units	The RSU grant is reduced in proportion to the length of service between the award date and the date of death to the length of the total vesting period and will be paid at the end of the vesting period.
Deferred Share Units	Upon death, DSUs already vested are settled in Class B subordinate voting shares before the last day of the calendar year of death. All unvested DSUs expire immediately.
Performance Cash LTI	The Performance Cash LTI grant is reduced in proportion to the length of service between the award date and the date of death to the length of the total vesting period and will be paid at the end of the vesting period, subject to meeting the applicable performance objectives.
Pension Plan	Value of pension benefits payable in accordance with local legal requirements.
Benefits and Perquisites	All benefits expire immediately. Perquisites expire upon death.
Commissions	Entitled to receive payment of commissions earned and payable until the date of death
Voluntary Resignation or Termination with Cause	
Severance Payment	None
Short-Term Incentive	None
Stock Options	All options expire immediately.
Performance Share Units	All PSUs expire immediately.
Restricted Share Units	All RSUs expire immediately.
Deferred Share Units	Upon termination, DSUs already vested are settled in Class B subordinate voting shares before the last day of the calendar year of termination. However, vested DSUs may be cancelled by the HRCC if the termination of employment is due to a breach of the Code of Ethics. All unvested DSUs expire immediately.
Performance Cash LTI	All Performance Cash LTI amount expire immediately.
Pension Plan	Value of pension benefits payable in accordance with local legal requirements.
Benefits and Perquisites	All benefits and perquisites expire immediately.
Commissions	Voluntary resignation: entitled to receive payment of commissions earned and payable until the date of resignation; Termination for cause : no payment under the plan
Change of Control	
	Bombardier has no change of control arrangements or agreement with any of its executives. A termination without cause following a change of control would therefore trigger the provisions set forth for "Termination Without Cause", if any.

(1) The same applies if the individual takes a leave of absence resulting from sickness, disability, maternity, paternity, parental leave or adoption.

(2) Provided however that no stock option shall be exercised after the earlier of their original expiration date, and if applicable, three years from the retirement, voluntary authorized leave of absence or disability leave of absence date.

SUMMARY

The HRCC is satisfied that Bombardier's current executive compensation policies, plans and levels of compensation are aligned with Bombardier's performance in light of applicable circumstances and reflect competitive market practices.

The HRCC is confident that these policies and plans allow Bombardier to attract, retain and motivate talented executives while promoting the creation of shareholder value.

The HRCC fully understands the long-term implications of the executive compensation policy and plans and the limitations that they may impose on the total compensation results.

Submitted by the Human Resources and Compensation Committee of the Board of Directors.

Anthony R. Graham, Chair
Douglas Oberhelman
Melinda Rogers-Hixon
Antony N. Tyler

DIRECTORS' AND OFFICERS' INSURANCE

Bombardier has in place a Directors' and Officers' Liability program for the benefit of the Corporation, its directors and officers to indemnify them against certain liabilities incurred by them in their capacity as directors and officers of the Corporation, subject to the terms, conditions and exclusions of the policy. The limit of insurance provided is $125,000,000 per occurrence and in the aggregate for a period of 12 months, at a cost of $5,800,500 for the same period. The deductible applicable to the Corporation is $15,000,000 for any insured occurrence.

AVAILABLE DOCUMENTATION

Copies of the Annual Information Form for the financial year ended December 31, 2021, the 2022 Circular and the 2021 Financial Report of Bombardier, which includes its audited consolidated financial statements and its management's discussion and analysis thereon for the financial year ended December 31, 2021, and copies of its quarterly financial reports, which include its quarterly financial statements filed since the date of its latest audited annual financial statements, may be obtained on request from the Public Affairs Department of Bombardier or at www.bombardier.com or www.sedar.com. Financial information related to Bombardier is provided in its comparative financial statements and management's discussion and analysis thereon for the financial year ended on December 31, 2021.

The Corporation offers its shareholders the opportunity to view management proxy circulars, annual reports and quarterly reports through the Internet instead of receiving paper copies in the mail. You will find more information on this matter in the Meeting Materials section above.

SHAREHOLDER PROPOSALS

Shareholders of Bombardier who will be entitled to vote at the 2023 annual meeting of shareholders and who wish to submit a proposal in respect of any matter to be raised at such meeting must submit their proposal(s) to the Senior Vice President, General Counsel and Corporate Secretary of Bombardier within the timeframe prescribed by the CBCA.

ADVANCE NOTICE REQUIREMENT FOR DIRECTOR NOMINATIONS

Bombardier's By-Law One contains an advance notice requirement in circumstances where nominations of persons for election to the Board of Directors are made by shareholders of the Corporation other than pursuant to: (a) a requisition of a meeting made pursuant to the provisions of the CBCA; or (b) a shareholder proposal made pursuant to the provisions of the CBCA (the "Advance Notice Requirement"). In the case of an annual meeting of shareholders, notice to the Corporation must be made not less than 30 nor more than 65 days prior to the date of the annual meeting: provided, however that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement. In the case of a special meeting of shareholders (which is not also an annual meeting), notice to the Corporation must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made. In addition, the Advance Notice Requirement sets forth the information that a shareholder must include in the notice for it to be valid, including, among other things, identification and shareholding information about the nominee and information about the shareholder making the nomination and any proxy, contract, arrangement, understanding or relationship pursuant to which such shareholder has a right to vote any shares of Bombardier. Bombardier's By-Law One is available on the SEDAR website at www.sedar.com.

APPROVAL OF THE BOARD OF DIRECTORS OF BOMBARDIER

The contents and the sending of this Circular have been approved by the Board of Directors.

Montréal, March 14, 2022

Annie Torkia Lagacé
Senior Vice President, General Counsel and Corporate Secretary

EXHIBIT “A”

BOMBARDIER INC.

MANDATE OF THE BOARD OF DIRECTORS OF BOMBARDIER INC.

MANDATE OF THE BOARD

The role of the Board is to supervise the management of Bombardier’s business and affairs with the objective of increasing profitability and, therefore, enhancing shareholder value.

The directors, in exercising their powers and discharging their duties, shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Management’s role is to conduct the day-to-day operations in a way that is consistent with the business plan approved by the Board.

The Board decides all matters expressly stated herein to be under its jurisdiction or provided for under the *Canada Business Corporations Act* (“CBCA”) or other applicable legislation or Bombardier’s articles of incorporation or by-laws (subject always to the power of the Board to delegate to a Committee or to individual directors or officers any part of its authority which it may lawfully so delegate). The Board may assign to any Board Committee the prior review of any issues the Board is responsible for Board Committee recommendations are subject to Board approval. The Board is to be informed of any Board Committee decisions at the regular Board meeting next following such decision.

As part of its stewardship responsibility, the Board advises management on significant business issues and has the following responsibilities:

A. APPROVING BOMBARDIER’S STRATEGY

– adopting a strategic plan, updating it on at least an annual basis, taking into account, among other things, the opportunities and risks of the business, and monitoring the implementation of the strategic plan by management;

– adopting, on an annual basis, an appropriate business plan which reflects the implementation of the first year of the strategic plan, and reviewing it on a quarterly basis.

B. MONITORING FINANCIAL MATTERS AND INTERNAL CONTROLS

– through the work and recommendations of the Audit Committee, monitoring the quality and integrity of Bombardier’s accounting and financial reporting systems, disclosure controls and procedures, internal controls and management information systems, including by overseeing:

  a) the integrity and quality of Bombardier’s financial statements and other financial information and the appropriateness of their disclosure;

  b) independent auditors’ qualifications and independence;

  c) the performance of Bombardier’s internal audit function and of Bombardier’s independent auditors; and

  d) Bombardier’s compliance with its own Code of Ethics and Business Conduct and all applicable legal and regulatory requirements;

– except to the extent delegated by the Board, the responsibility of all decisions involving a minimum amount, as provided in the Administration Policy pertaining to the various levels of authority;

– based on the recommendations of the Audit Committee, recommending to the shareholders of Bombardier the appointment of its independent auditors;

– through the work and recommendations of the Finance and Risk Management Committee, ensuring that an appropriate risk assessment process is in place to identify, assesses and manage the principal risks of Bombardier’s business;

– adopting communications policies and monitoring Bombardier’s investor relations programs; Bombardier’s communications policies (i) address how Bombardier interacts with analysts, investors, other key stakeholders and the public, (ii) contain measures for Bombardier to comply with its continuous and timely disclosure obligations and to avoid selective disclosure, and (iii) are reviewed at least annually.

C. MONITORING PENSION FUND MATTERS

– through the work and recommendations of the Finance and Risk Management Committee, monitoring and reviewing Bombardier’s pension fund investment policies and practices, in the context of pension plan liabilities.

D. MONITORING ENVIRONMENTAL MATTERS

– through the work and recommendations of the Finance and Risk Management Committee, monitoring and reviewing, as appropriate, Bombardier’s environmental policies and practices and overseeing their compliance with applicable legal and regulatory requirements.

E. MONITORING OCCUPATIONAL HEALTH AND SAFETY MATTERS

– through the work and recommendations of the Human Resources and Compensation Committee, monitoring and reviewing, as appropriate, Bombardier’s occupational health and safety policies and practices and overseeing their compliance with applicable legal and regulatory requirements.

F. OVERSEEING THE SUCCESSION PLANNING OF THE CHIEF EXECUTIVE OFFICER AND A NUMBER OF SELECTED SENIOR EXECUTIVE POSITIONS THROUGH THE APPROPRIATE MECHANISMS PUT IN PLACE BY THE HUMAN RESOURCES AND COMPENSATION COMMITTEE

– appointing the Chief Executive Officer, monitoring his performance and overseeing the appointment of a number of selected senior executive positions;

– approving the compensation of the Chief Executive Officer and ensuring that an appropriate portion of the compensation of the Chief Executive Officer and of a number of selected senior executive positions is tied to the short- and long-term performance of Bombardier;

– ensuring that recruitment, training and development processes are in place to attract, motivate and retain qualified executives to meet Bombardier’s business objectives.

G. MONITORING CORPORATE GOVERNANCE ISSUES THROUGH THE WORK AND RECOMMENDATIONS OF THE CORPORATE GOVERNANCE AND NOMINATING COMMITTEE

– monitoring the size and composition of the Board to ensure effective decision-making;

– overseeing management in the competent and ethical operation of Bombardier;

– monitoring Bombardier’s approach to governance issues and monitoring and reviewing, as appropriate, Bombardier’s Corporate Governance Manual and policies;

– reviewing, from time to time, Bombardier’s Code of Ethics and Business Conduct applicable to Bombardier’s directors, officers, and employees;

– ensuring the annual performance assessment of the Board, Board Committees, board and committee chairs and individual directors and determining their remuneration;

– recommending to the Board (i) the Board nominees for election at the annual meeting of shareholders or (ii) up to two nominees to be appointed by the Board as additional directors to hold office for a term expiring not later than the close of the next annual meeting of shareholders or (iii) the nominees to fill Board vacancies.

H. THE LEAD DIRECTOR

– prior to or after each regular meeting of the Board, if required, the independent directors will meet under the chairmanship of the Lead Director who is appointed annually by the members of the Board;

– additional meetings may be held at the request of any independent director;

– thereafter, the Lead Director will transmit to the Chairman of the Board and Chief Executive Officer, any comment, question or suggestion of independent directors;

– independent directors have no decision-making power;

– independent directors may provide for their own procedure such as secretariat, notices of meeting, minutes and similar matters;

– their quorum is composed of a majority of the independent directors.

EXHIBIT “B”

BOMBARDIER INC.

SPECIAL RESOLUTION

AMENDMENT TO THE RESTATED ARTICLES OF INCORPORATION - CONSOLIDATION OF THE ISSUED AND UNISSUED CLASS A SHARES (MULTIPLE VOTING) AND CLASS B SHARES (SUBORDINATE VOTING)

“RESOLVED as a Special Resolution:

THAT Bombardier Inc. (the “Corporation”) be and it is hereby authorized to apply for a certificate of amendment under Section 173 of the Canada Business Corporations Act to amend its Restated Articles of Incorporation to change the numbers of issued and unissued Class A shares (multiple voting) and Class B shares (subordinate voting) of the Corporation by consolidating the issued and unissued Class A shares (multiple voting) and Class B shares (subordinate voting) of the Corporation on the basis of no more than (A) one (1) new post-consolidation Class A share (multiple voting) for every thirty (30) pre-consolidation Class A shares (multiple voting) of the Corporation and one (1) post-consolidation Class B share (subordinate voting) for every thirty (30) pre-consolidation Class B shares (subordinate voting) of the Corporation, and no less than (B) one (1) new post-consolidation Class A share (multiple voting) for every ten (10) pre-consolidation Class A shares (multiple voting) of the Corporation and one (1) post-consolidation Class B share (subordinate voting) for every ten (10) pre-consolidation Class B shares (subordinate voting) of the Corporation (the “Share Consolidation”), and in the event that the Share Consolidation would otherwise result in a holder of Class A shares (multiple voting) and/or Class B shares (subordinate voting) of the Corporation holding a fraction of a Class A share (multiple voting) or Class B share (subordinate voting) of the Corporation, as the case may be, such holder shall not receive any whole new share for each such fraction, and any and all fractional Class A shares (multiple voting) and Class B shares (subordinate voting) of the Corporation to which registered holders would otherwise be entitled as a result of the Share Consolidation shall be aggregated and sold by the Corporation’s transfer agent and registrar on the market, with the proceeds therefrom, net of brokerage commissions and expenses, being proportionately distributed (without interest) to registered holders of Class A shares (multiple voting) of the Corporation and/or Class B shares (subordinate voting) of the Corporation, as applicable, such amendment to become effective at a date in the future to be determined by the Board of Directors when the Board of Directors considers it to be in the best interests of the Corporation to implement such a Share Consolidation, but in any event not later than May 5, 2023, subject to approval of the Toronto Stock Exchange;

THAT effective upon the implementation of the Share Consolidation, the first sentence of the preamble of the Restated Articles of Incorporation, as amended, be modified in order that each occurrence of the number of Class A shares (multiple voting) and the number of Class B shares (subordinate voting) that the Corporation is authorized to issue be proportionately adjusted based on the Share Consolidation ratio selected by the Board of Directors;

THAT effective upon the implementation of the Share Consolidation, Section 3.3.1 of the Restated Articles of Incorporation, as amended, be modified in order that the rate of the priority dividend per share per annum carried by the Class B subordinate voting shares of the Corporation, currently set at $0.0015625 per share per annum in the Restated Articles of Incorporation, be proportionately adjusted based on the Share Consolidation ratio selected by the Board of Directors;

THAT any director or the President and Chief Executive Officer, the Executive Vice President and Chief Financial Officer or the Senior Vice President, General Counsel and Corporate Secretary (each an "Authorized Officer") be, and each of them is hereby, authorized and directed for and in the name and on behalf of the Corporation to execute and deliver or cause to be delivered articles of amendment to the Director under the Canada Business Corporations Act and to execute and deliver or cause to be delivered all documents and to take any action which, in the opinion of that person, may be necessary or desirable to give effect to this Special Resolution;

THAT, notwithstanding that this Special Resolution has been duly adopted by the shareholders of the Corporation, the Board of Directors of the Corporation be and it is hereby authorized, in its sole discretion, to revoke this Special Resolution in whole or in part at any time prior to its being given effect without further notice to, or approval of, the shareholders of the Corporation; and

THAT any director or any Authorized Officer of the Corporation be, and each of them is hereby, authorized and directed for and in the name and on behalf of the Corporation, to sign and deliver such other notices and documents and to do such other acts and things, as in the opinion of that person, may be necessary or desirable to give effect to this Special Resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing.”

EXHIBIT "C"

BOMBARDIER INC.

SHAREHOLDER PROPOSALS

The following shareholder proposals have been submitted for consideration at the Meeting by the MÉDAC.

1. **Formal employee representation in the strategic decision-making process**

It is proposed that the board of directors consider means for increasing employee participation in its decision-making process. It is suggested that the findings of this thought process be documented in a report at the next annual meeting in 2023.

Argument

The health and economic crisis reminded us of the importance of the health and well-being of organizations' workforces. Some of the benefits are obvious: a higher degree of satisfaction with their employment, a greater sense of belonging, a better engagement rate, increased productivity, reduced absenteeism, lower insurance costs as well as fewer risks of industrial accidents and occupational diseases. Over the next few years, boards of directors will be facing several talent management and development issues.

In the past few years, boards of directors have committed themselves to enhancing the quality of their decision-making processes by tapping into the experience and skills of as many people as possible from the full range of genders, ages, origins and religions. Although our boards of directors are made up primarily of independent directors, they lack the vision of employees who might have a different perspective of the organization's operational and strategic issues, provide better oversight of senior executive decisions and, since employees tend to prioritize the long term, help achieve a better balance of short- and long-term decisions.[1]

In its most recent edition (2018), the UK Corporate Governance Code[2] suggests various initiatives for increasing employee participation in the highly strategic decisions made by organizations, such as creating a formal workforce advisory panel, appointing a member of the board of directors to liaise with workers or appointing at least one employee other than the CEO to sit on the board of directors.

Utterly convinced of the great value that employees' direct and formal contributions would bring to the strategic decision-making process, especially where talent management and development components are concerned, we are tabling this proposal fully confident that the corporation will be able to propose means at the next annual meeting in 2023 that will ensure employee participation and the taking into account of their views.

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[1] Andreas KOKKINIS et Konstantinos SERGAKIS, « A flexible model for efficient employee participation in UK companies », (2020) 20-2 *J. Corp. Law Stud.* 453 493, DOI: 10.1080/14735970.2020.1735161.

[2] *Financial Reporting Council - 2018 - The UK Corporate Governance Code* https://www.frc.org.uk/getattachment/88bd8c45-50ea-4841-95b0-d2f4f48069a2/2018-UK-Corporate-Governance-Code-FINAL.PDF

BOMBARDIER'S RESPONSE

Bombardier's strong tradition of entrepreneurship human ingenuity would not be possible without the close collaboration of our talented workforce. Employee engagement is a key strategic pillar and we base our plans and measure performance directly on the feedback, opinions and ideas our teams express through different forums, including regular town hall meetings, employee surveys and employee focus groups. For example, we conducted a full census survey in 2020, and a pulse survey in October 2021 with over a third of our team members, which provided our employees an opportunity to tell us their views and share comments on our business and operations. We also conducted focus groups in 2020 with a view to seek our employees' insights into the company's strengths and ideas for improvement, and in 2021 to have our employees' insight into employee engagement and ensuring Bombardier is an employer of choice. As such, we consider that various channels already exist for employees to provide input on decision-making, help shape business plans and contribute to the success of the Corporation.

We also interact with various unions and their representatives on a regular basis to present and discuss a number of decisions and initiatives that are important for unionized employees, who comprise nearly half of our workforce. Such discussions between unions and management provide valuable information on the Corporation's operations and help inform decision-making processes.

We do not believe that electing an employee to the Board of Directors would be appropriate or necessary within the Canadian corporate governance context. Employee directors are not considered independent (as such term is defined under applicable securities laws and regulations) and, as such, their presence on the Board makes it more difficult to fill committee positions with independent directors. Moreover, under the legal framework applicable to the Corporation, directors are already duty-bound to act with prudence and diligence, honesty and loyalty. In doing so, directors may consider the interests of various stakeholders, including employees. They must, however, ultimately base their decisions on the best interest of the corporation, and as such, employee directors may be more likely to find themselves in conflicts of interest.

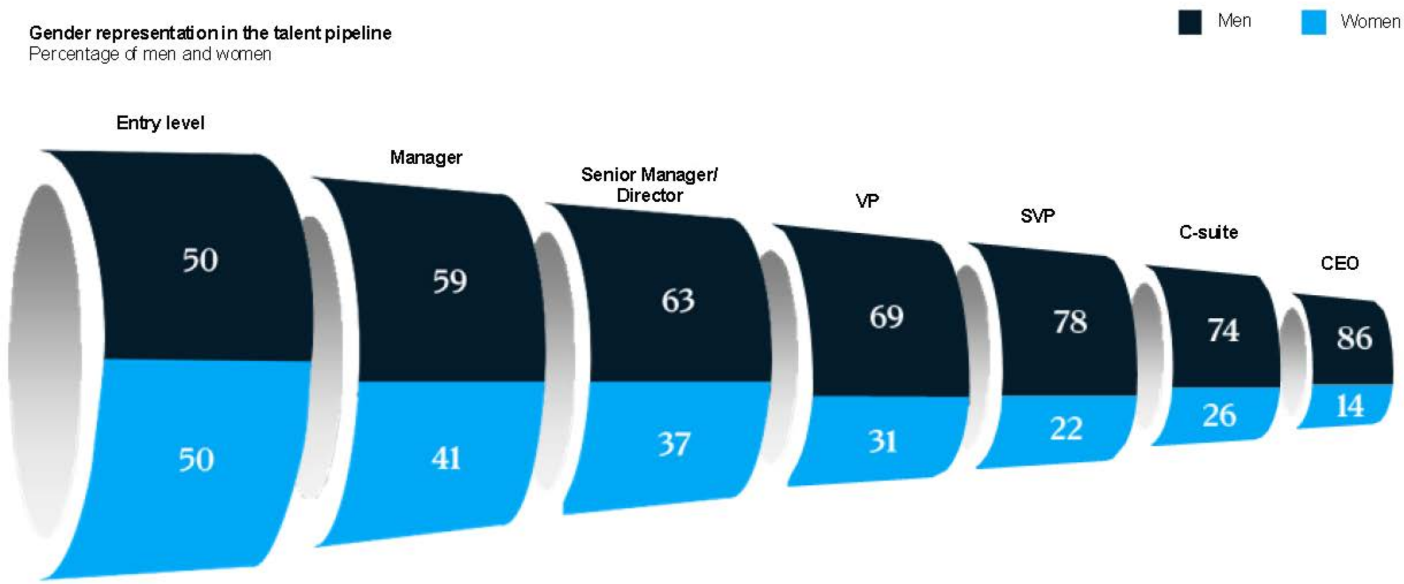
In light of the foregoing, the Corporation recommends that the shareholders vote "AGAINST" this proposal.

2. **Women managers: promotions and advancements**

It is proposed that the corporation publish annually, in whatever format it may see fit, a report on the representation of women in all levels of management, from entry level to C-Suite (below the CEO).

Argument

The pandemic has completely upended our economy and our various work environments. The crisis hit women especially hard, with millions of them either having left their jobs, opted for part-time work or simply been laid off, owing to the nature of their jobs or the economic sector in which they worked. Businesses therefore wound up with far fewer women in management or on the management track. This only accentuated a situation that already existed. Based on the study conducted by McKinsey,[1] while women made up 50% of entry-level employees of the organizations surveyed, they only represented 31% of the vice-presidential positions and 14% of CEO positions, as this graph clearly indicates.



More specifically, while measures exist "to help women lessen the career and financial impacts of unpaid parental leave and part-time work,"[2] women today are still more likely than men to experience this type of professional situation that continues to limit their advancement.

Businesses cannot run the risk of losing even more women in management positions. The report being proposed here will help paint a picture of the situation within these various levels, encourage senior executives to set gender diversity objectives for each of them and inform all stakeholders of the strategies that will be deployed to ensure a vigorous economic recovery, especially after the public health crisis

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[1] The present and future of women at work in Canada https://www.mckinsey.com/featured-insights/gender-equality/the-present-and-future-of-women-at-work-in-canada.
[2] Ibid., see the program *Shared Care*, by the Australian firm Aurizon, among others, for more examples.

BOMBARDIER'S RESPONSE

We are dedicated to fostering and maintaining an inclusive workplace and ensuring representation of women at different levels, from entry level positions to senior management. We firmly believe that such diversity promotes the inclusion of different perspectives and ideas, mitigates against group-think and improves oversight, decision-making and governance.

It is in this spirit that the Corporation adopted a diversity policy which outlines our approach to achieving and maintaining diversity on the Board of Directors and in executive officer and management positions. Pursuant to this policy, we aspire to maintain a Board of Directors in which women comprise at least 30% of all directors (which was achieved as of December 31, 2020), and to attain by 2025, and thereafter maintain, at least 30% of management positions held by women. We report on these statistics annually in our information circular (see page 38 of this Circular). Statistics with respect to the Corporation's overall workforce is also already provided at: https://bombardier.com/en/sustainability/people/employee-overview.

Our commitment to diversity, equity and inclusion is further reflected in our Code of Ethics, which states that the Corporation shall offer equal employment opportunities without regard to various protected grounds, including gender, in accordance with the laws and regulations of each country where it does business.

We are a proud member of diversity associations within the aviation sector, including the International Aviation Women's Association. In 2020, we partnered with the Gina Cody School for Engineering and Computer Science at Concordia University in Montreal, Quebec to launch the Women in Engineering internship program, which allows women to gain real-life work experience and receive individualized monitoring aimed at helping them pursue engineering and technology careers. We are committed to Bombardier being an employer of choice for women in the fields of science, technology, engineering and math (STEM). We expect such initiatives to contribute to rising numbers of women in our talent pool at every level of the organization.

Furthermore, our Talent and Diversity team has launched a number of awareness campaigns, including diversity and inclusion training for management, and has embedded diversity and inclusion content in leadership training modules in an effort to reduce the risk of bias, in talent management decision-making processes and other factors affecting workplace behaviour, that women (as well as other designated minority groups) may face in the workplace. The Corporation also participates in conferences and work sessions to lead the conversation on practical ways for women to drive their careers forward.

These efforts to make the Corporation an inclusive workplace for women were recognized when Bombardier received the Bronze Parity Certification in 2020 and in 2021 from *Women in Governance*, whose mission is to support women in their leadership development, career advancement and access to board seats across Canada. In addition to evaluating parity at the decision-making level of our organization, the certification process assessed our commitment to the implementation of policies and practices that enable women at all levels of its hierarchy to achieve career advancement.

To continue fostering diversity, equity and inclusion ("D&I"), we will continue to drive the activities of our D&I Ambassadors Network, a group of around 75 employees representing different genders and other demographic characteristics, to promote D&I in the organization. The D&I Ambassadors become familiar with D&I considerations, share their insights with peers and various teams, participate in D&I related events internally and externally, share their ideas and perspectives around our D&I strategy, and get involved in working groups to help progress our key D&I initiatives. We also support the development of similar groups that form bottom-up, such as the budding employee-led-and-women-focused affinity group in our engineering business unit which support and encourages women to pursue STEM careers. Additionally, each year since 2017, around 20 women employees participate in a 100-day development program with *The A Effect*, which organisation's goal is to propel female ambition.

We believe that combining a top-down approach to implementing more equitable policies and practices, while leveraging bottom-up employee-driven initiatives, is the preferred way to ensure sustainable progress across D&I measures. In addition, the organization is seeking ways to further strengthen the governance of our D&I programs by creating greater opportunities for employees to participate in the D&I strategy-making process.

In light of the foregoing, the Corporation recommends that the shareholders vote "AGAINST" this proposal.

3. French, the official language

It is proposed that the corporation's language be French, notably the working language in Québec, including the language used at annual meetings. Its official status must be formally recorded, in writing, in the corporation's letters.

Argument

The corporation's head office is in Québec, a French-speaking state.

The state of Québec has existed for over 400 years, and its official language is French.

The state of Québec is the only French-speaking state in America.

A people's language is their most essential, fundamental and existential attribute.

Global diversity can in no way be reduced strictly to questions of human biology or the arbitration of individual privileges.

Global diversity is first and foremost a collective issue essentially based on the culture of the world's peoples.

The people of Québec, through their territorial state and public institutions, beginning with their National Assembly, constitution and charters, ensure the protection of global linguistic diversity by rigorously protecting the collective and public nature of their language. The spirit of the law is clear,[1] as is the spirit of the federal[2] and Québec[3] legislative reforms.

Respecting and promoting this feature of global diversity is, among other things, the social responsibility of all businesses.

This is in the interests of all stakeholders, starting with all members of the community, regardless of their origins.

Sustainable development and long-term returns are otherwise inconceivable.

It is society's duty to scrupulously comply with these sacred principles.

It is absolutely possible to do business throughout the world with a head office that operates in the language of the state where it is established.[4]

For example, the annual shareholder meeting of Samsung[5] (Suwon) is held in Korean, Heineken[6] (Amsterdam) in Dutch, Nissan[7] (Yokohama) in Japanese, Foxconn[8] (Taiwan) in Mandarin, Volkswagen[9] (Wolfsburg) in German, and L'Oréal[10] (Clichy), Danone[11] (Paris), Christian Dior[12] (Paris) and LVMH[13] (Paris) in French. The content is translated into other languages. The principle is clear and simple.

The French language is not a choice. It is a collective instrument used for communicating. Besides, foreign languages can be translated, whether or not simultaneously.

French is our language.

It is an issue of social equity, justice and dignity. It is a national issue.

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[1] La Charte de la langue française : une entrave aux activités essentielles des entreprises privées de compétence fédérale au Québec? http://hdl.handle.net/11143/10216

[2] *Projet de loi C-32* (https://parl.ca/DocumentViewer/fr/43-2/projet-loi/C-32/premiere-lecture?col=2) ***English and French: Towards a substantive equality of official languages in Canada*** *https://www.canada.ca/en/canadian-heritage/corporate/publications/general-publications/equality-official-languages.html*

[3] *Bill 96* (lien Anglais - Bill 96, An Act respecting French, the official and common language of Québec - National Assembly of Québec (assnat.qc.ca)) http://assnat.qc.ca/en/travaux-parlementaires/projets-loi/projet-loi-96-42-1.html

[4] *Comment se conclut un « deal » en français? […]* http://collections.banq.qc.ca/ark:/52327/1832243

[5] *AAA 2021 Samsung* https://www.youtube.com/watch?v=v8l9iOOv58A

[6] *AAA 2021 Heineken* https://www.theheinekencompany.com/sites/theheinekencompany/files/Downloads/PDF/AGM%202021/20210609%20Heineken%20N.V.%20Notulen%20AvA.pdf

[7] *AAA 2021 Nissan* https://www.youtube.com/watch?v=OS9Sm3Rgt9k

[8] *AAA 2021 Foxconn* https://www.youtube.com/watch?v=pPNJ37Rt3Q0

[9] *AAA 2021 Volkswagen* https://www.volkswagenag.com/de/InvestorRelations/annual-general-meeting.html

[10] *AAA 2021 L'ORÉAL* https://www.loreal-finance.com/fr/assemblee-generale-2021

[11] *AAA 2021 DANONE* https://www.danone.com/fr/investor-relations/shareholders/shareholders-meeting.html

[12] *AAA 2021 Christian DIOR* https://voda.akamaized.net/dior/1520614_605ded3e38389/

[13] *AAA 2021 LVMH* https://www.lvmh.fr/actionnaires/agenda/assemblee-generale-2021/

BOMBARDIER'S RESPONSE

Founded in 1942 in the Eastern Townships of Québec, Bombardier has become an inextricable part of the province's economic and cultural fabric. Headquartered in Montréal and present in more than 13 countries, the Corporation is proud to be recognized as a global leader in aviation and to reinforce Québec's innovation prowess throughout Canada and abroad.

The Corporation employs approximately 13,800 workers and professionals worldwide, with approximately 7,500 across Québec, principally in the greater Montreal area. The Corporation also has material offices or service locations in Ottawa and Toronto, Ontario, as well as in the United States, the United Kingdom, Germany, the U.A.E., Australia and Singapore. Some employees may also be in other locations as sales representatives or as mobile technical support specialists. Our activities in the Province of Quebec support a network of over 700 suppliers and partners. We are thus a significant contributor to Quebec's economic development and growth.

As an organization that does business in Quebec, we uphold and comply with the Charter of the French Language and adhere to all requirements related to the French language in the course of our business activities and operations in Québec. The Corporation's Restated Articles of Incorporation, By-Law One and Administrative Resolutions are all officially drafted in the French language. The Corporation does not believe it to be necessary to amend its by-laws or its Charter to include French as the official language of the Corporation.

All of the Corporation's meetings with shareholders are held primarily in French, although English is also used to promote meaningful dialogue with all of our shareholders. Any portion of a meeting conducted in English is simultaneously translated into French, thereby allowing participants to easily listen to the meetings in French in their entirety if they so desire.

Looking ahead, the Corporation is strongly committed to ensuring that French remains at the heart of its business and that all of its stakeholders can communicate and interact with it in French.

In light of the foregoing, the Corporation recommends that the shareholders vote "AGAINST" this proposal.

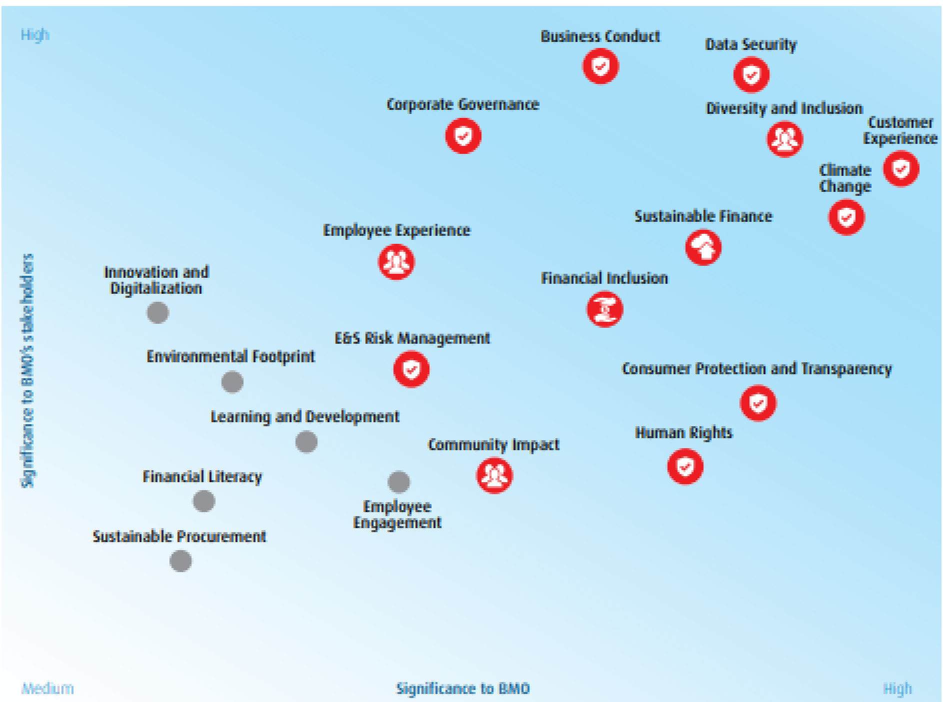
4. Materiality Matrix

It is proposed that the corporation insert a materiality matrix in its annual corporate responsibility report so as to help better assess the business's sustainable development strategy issues in light of its priorities as an institution and the expectations of its various stakeholders.

Argument

We assume that you interact with shareholder and investor groups throughout the year on a variety of topics, such as the corporation's governance, environmental, diversity and inclusion approach and strategies, as well as its financial performance and financial strategy. It would be appropriate that all stakeholders be informed of the findings gleaned from this consultation regarding their needs and how they align with the corporation's priorities.

More specifically, we ask that you help us in assessing your issues by inserting a matrix in your corporate social responsibility report indicating the materiality of your issues in their order of significance to the corporation and its stakeholders (see Bank of Montreal's annual sustainability report, page 13[1]), as prescribed by the Global Reporting Initiative (GRI).



[1] https://notre-impact.bmo.com/wp-content/uploads//2021/03/BMO-2020-ESG-PAS-accessible-fr.pdf

BOMBARDIER'S RESPONSE

As Bombardier continuously strives to strengthen its governance and management of ESG issues, we recognize that a formal materiality analysis can be a valuable exercise to ensure that ESG issues most important to the business and our stakeholders are prioritized. As such, we began the process of mapping a materiality assessment in fiscal year 2021 and aim to have the project completed in the course of 2022. We recognize the importance of keeping stakeholders informed, and accordingly, we hereby undertake and agree, following completion of the materiality assessment mapping, to include a materiality matrix in future ESG Reports.

Once established, we intend to revise the materiality matrix periodically to ensure it reflects the evolution of our business as well as emerging trends and priorities, and will include updates to the materiality matrix in future ESG Reports.

The Board of Directors is therefore satisfied that the Corporation is actively seeking to continuously improve its communication with shareholders with respect to ESG issues.

Considering the foregoing, and further to the discussions management held with MÉDAC, it was agreed that Proposal 4 would not be presented at the Meeting for voting purposes.

5. Use of ESG metrics for determining executive compensation

It is proposed that the board of directors and human resources and compensation committee incorporate ESG metrics in the executive compensation determination process.

Argument

At the 2019 annual meeting, we filed a similar proposal that garnered 10% of the votes. The proposal was filed once again in 2020. Given the difficult market conditions in which Bombardier then operated and the turnaround plan it was to implement, we agreed not to submit the proposal to a vote.

The global health crisis having amplified the importance of environmental, social and governance (ESG) issues and your situation being more conducive today, we are once again filing this proposal, as we are convinced that integrating ESG metrics into the executive compensation programs' design could represent yet another opportunity to emphasize the sustainable change you are striving for. Your answer to our proposal in 2020 leads us to believe that you favour this approach:

> *The Board of Directors fully recognizes that these actions contribute to increasing the Corporation's long-term value and therefore serve well the Corporation's shareholders and stakeholders, including the local communities where the Corporation carries out its operations.*

In Canada, a 2019 Compensation Governance Partners[1] survey of the proxy circulars of 196 companies listed on the S&P/TSX revealed that 61% of companies integrated such metrics in their compensation programs. There can be no doubt that formally linking executive compensation to the achievement of financial goals produces results. This practice also applies to non-financial objectives, such as ESG-related objectives. We have taken the liberty of citing the findings of a 2019 university study,[2] which states that airlines that made executive short-term compensation contingent on the punctuality of their flights' arrival effectively succeeded in improving their performance in this area.

For institutional investors and shareholders alike, the consideration of ESG factors is one of the most important elements in their short- and long-term financial decisions.

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[1] https://www.ctf.ca/ctfweb/FR/Newsletters/Perspectives/2021/2/210202.aspx

[2] Rajesh K. Aggarwal and Carola Schenone, Incentives and Competition in the Airline Industry, 8 Rev. of Corp. Fin. Studies 380 (2019).

BOMBARDIER'S RESPONSE

The Corporation attaches great importance to ESG criteria as part of its enterprise strategy and sees the management of ESG risks and opportunities as an inherent part of its success. Bombardier's 2020 ESG Report, which is accessible at https://bombardier.com/en/sustainability/our-esg-plan, demonstrates its long-term commitment to a sustainable and financially resilient future.

In an effort to further advance the integration of ESG considerations within the business and to increase senior executives' accountability for achieving ESG objectives, the Corporation incorporated non-financial ESG metrics—relating to greenhouse gas emissions, loss time incidents, women in management, and employee engagement—into the design of its long-term incentive plans for the 2021 financial year. The ESG metrics selected reflect business factors which are aligned with the Corporation's long-term strategy. These metrics will be reviewed on a regular basis in order to optimize their alignment with key components of the Corporation's evolving ESG strategy. Please see page 52 of this Circular for further details and discussion of ESG considerations in determining executive compensation.

In light of this initiative, the Board believes its existing compensation approach for its senior executives and the related disclosure in this Circular already meet the objectives pursued by this proposal.

Considering the foregoing, and further to the discussions management held with MÉDAC, it was agreed that Proposal 5 would not be presented at the Meeting for voting purposes.

APPENDIX

STOCK OPTIONS AND DEFERRED SHARE UNITS

Stock options

A grant of stock options represents the right to purchase an equal number of Class B subordinate voting shares at the determined exercise price.

The main rules of the Stock Option Plan are as follows:

- the exercise price equals the weighted average trading price of the Class B subordinate voting shares traded on the TSX on the five trading days immediately preceding the day on which an option is granted;
- options have a maximum term of seven years and vest at a rate of 100% at the end of the third anniversary of the date of grant; the three-year vesting period aligns with the vesting schedules of the RSU/PSU/DSU plans;
- if the expiration date of an option falls during, or within 10 business days following the expiration of a blackout period, such expiration date shall automatically be extended for a period of 10 business days following the end of the blackout period; and
- refer to “Termination and Change of Control Provisions” of Section 5 of this Circular for the treatment of stock options in such cases.

In addition, the Stock Option Plan provides that no option or any right in respect thereof shall be transferable or assignable otherwise than by will or pursuant to the laws of succession.

The granting of stock options is subject to the following rules:

- granting non-assignable options to purchase Class B subordinate voting shares may not exceed 224,641,195, taking into account the aggregate number of Class B subordinate voting shares issuable under any other security-based compensation arrangement of the Corporation; and
- in any one-year period, any insider or his or her associates may not be issued shares exceeding 5% of all issued and outstanding Class B subordinate voting shares.

Deferred Share Units (“DSUs”)

The objectives of each of the DSU Plan and 2010 DSUP is to align executives’ interests with shareholder value growth, to focus on achieving financial results with a strong pay-for-performance emphasis, and to retain key talent.

The HRCC believes that these incentive plans fulfill the executive compensation policy objectives because:

- they recognize and reward the impact of longer-term strategic actions undertaken by the executives;
- they promote executive retention since the grants vest over a number of years;
- the value of the grants depends on the future value of the Class B subordinate voting shares; and
- in the case of DSUs granted prior to June 2010, there is no dilution effect on shareholders as such DSUs are delivered, upon settlement, in cash or as Class B subordinate voting shares purchased on the secondary market.

The HRCC sets target objectives for each grant based on Bombardier’s financial goals. These incentive plans are designed to motivate executives to exceed Bombardier’s financial targets through the application of thresholds for payouts and increased payouts when targets are exceeded.

A grant of DSUs represents the right to receive an equal number of Class B subordinate voting shares or, in the case of DSUs granted prior to June 2010, a cash payment equal to the value of the DSUs, if the pre-determined performance targets are attained.

The main rules of the DSU Plan and 2010 DSUP are summarized below:

- the vesting period is determined at the date of the grant, subject to a maximum term of three years from that date;
- the key performance indicator and targets for DSUs are usually determined at the date of the grant by the HRCC;
- the number of Class B subordinate voting shares or amount of the cash payment delivered upon the participant’s termination of employment, death or retirement may be cancelled, reduced or increased depending on the actual results of the applicable performance indicator(s);
- dividend equivalents will be settled in the form of additional DSUs;
- the maximum number of Class B subordinate voting shares which may be issued from treasury under the 2010 DSUP is 24,000,000; and
- refer to “Termination and Change of Control Provisions” of Section 5 of this Circular for the treatment of DSUs in such cases.

In addition, the terms of the DSU Plan and 2010 DSUP provide that the rights of a participant thereunder may not be assigned, encumbered, pledged, transferred or alienated in any way other than by will or pursuant to the laws of succession.

When a DSU participant's employment terminates for any reason, vested DSUs are settled. Vested DSUs granted before June 2010 under the DSU Plan are settled as Class B subordinate voting shares purchased on the secondary market or, at the discretion of the HRCC, the cash equivalent. Vested DSUs granted on or after June 2010 under the 2010 DSUP are settled as Class B subordinate voting shares issued from treasury or purchased on the secondary market. Actual settlements of vested DSUs may be postponed by the HRCC until the last calendar day of the year of termination of employment, death or retirement.

Common terms

In addition, under the terms of both the 2010 DSUP and Stock Option Plan:

– the total number of Class B subordinate voting shares issuable from treasury, together with the Class B subordinate voting shares issuable from treasury under all of the Corporation's other security based compensation arrangements, at any time, may not exceed 10% of the aggregate number of issued and outstanding Class B subordinate voting shares and Class A shares;

– the total number of Class B subordinate voting shares issuable from treasury to insiders and their associates, together with the Class B subordinate voting shares issuable from treasury to insiders and their associates under all of the Corporation's other security based compensation arrangements, at any time, may not exceed 5% of the total issued and outstanding Class B subordinate voting shares;

– the total number of Class B subordinate voting shares issued from treasury to insiders and their associates, together with the Class B subordinate voting shares issued from treasury to insiders and their associates under all of the Corporation's other security based compensation arrangements, within any given one-year period, may not exceed 10% of the total issued and outstanding Class B subordinate voting shares; and

– a single person cannot hold DSUs covering, or options to acquire, as the case may be, more than 5% of the Class B subordinate voting shares issued and outstanding.

As of December 31, 2021, the status was as follows:

	Plan	Issued	Issuable under DSUs Granted OR Stock Options Granted but Unexercised	Issuable for Future DSUs OR Stock Option Grants(1)
Total number of Class B subordinate voting shares	Stock Option Plan	70,156,369(2)	123,065,335	31,419,491
	2010 DSUP	875,633	501,277	22,623,090
% of total number of Class A shares and Class B subordinate voting shares issued and outstanding	Stock Option Plan	2.87%	5.04%	1.29%
	2010 DSUP	0.04%	0.02%	0.93%

(1) The aggregate number of Class B subordinate voting shares issuable under the Stock Option Plan and the 2010 DSUP may not exceed, taking into account the aggregate number of Class B subordinate voting shares issuable under any other security based compensation arrangement of the Corporation, 224,641,195.

(2) Including a number of 540,000 shares which were issued pursuant to the exercise of stock options granted under the Stock Option Plan for the benefit of the non-executive directors of Bombardier, which was abolished effective October 1, 2003.

The total number of stock options issued in the financial year ended December 31, 2021 (being 5,695,790 stock options), as a percentage of the total number of Class A shares and Class B subordinate voting shares that were issued and outstanding as at December 31, 2021, is 0.23%.

Right to amend the 2010 DSUP or the Stock Option Plan

The Board of Directors may, subject to receiving the required regulatory and stock exchange approvals, amend, suspend or terminate the 2010 DSUP and any DSUs granted thereunder or the Stock Option Plan and any outstanding stock option, as the case may be, without obtaining the prior approval of the shareholders of the Corporation; however, no such amendment or termination shall affect the terms and conditions applicable to unexercised stock options previously granted without the consent of the relevant optionees, unless the rights of such optionees shall have been terminated or exercised at the time of the amendment or termination.

Subject to but without limiting the generality of the foregoing, the Board of Directors may:

– wind up, suspend or terminate the 2010 DSUP or the Stock Option Plan;

– terminate an award granted under the 2010 DSUP or the Stock Option Plan;

– modify the eligibility for, and limitations on, participation in the 2010 DSUP or the Stock Option Plan;

– modify periods during which the options may be exercised under the Stock Option Plan;

– modify the terms on which the awards may be granted, terminated, cancelled and adjusted and, in the case of stock options only, exercised;

– amend the provisions of the 2010 DSUP or the Stock Option Plan to comply with applicable laws, the requirements of regulatory authorities or applicable stock exchanges;

– amend the provisions of the 2010 DSUP or the Stock Option Plan to modify the maximum number of Class B subordinate voting shares which may be offered for subscription and purchase under the 2010 DSUP or the Stock Option Plan following the declaration of a stock dividend, subdivision, consolidation, reclassification, or any other change with respect to the Class B subordinate voting shares;

- amend the 2010 DSUP or the Stock Option Plan or an award thereunder to correct or rectify an ambiguity, a deficient or inapplicable provision, an error or an omission; and
- amend a provision of the 2010 DSUP or the Stock Option Plan relating to the administration or technical aspects of the plan.

However, notwithstanding the foregoing, the following amendments must be approved by the shareholders of the Corporation:

- In the case of the Stock Option Plan or outstanding options :
  - an amendment allowing the issuance of Class B subordinate voting shares to an optionee without the payment of a cash consideration, unless provision has been made for a full deduction of the underlying Class B subordinate voting shares from the number of Class B subordinate voting shares reserved for issuance under the Stock Option Plan;
  - a reduction in the purchase price for the Class B subordinate voting shares in respect of any option or an extension of the expiration date of any option beyond the exercise periods provided by the Stock Option Plan;
  - the inclusion, on a discretionary basis, of non-employee directors of the Corporation as participants in the Stock Option Plan;
  - an amendment allowing an optionee to transfer options other than by will or pursuant to the laws of succession;
  - the cancellation of options for the purpose of issuing new options;
  - the grant of financial assistance for the exercise of options;
  - an increase in the number of Class B subordinate voting shares reserved for issuance under the Stock Option Plan; and
  - any amendment to the method for determining the purchase price for the Class B subordinate voting shares, in respect of any option.
- In the case of the 2010 DSUP or DSUs granted thereunder :
  - an amendment allowing a participant to transfer DSUs, other than by will or pursuant to the laws of succession; and
  - an increase in the number of treasury Class B subordinate voting shares reserved for issuance under the 2010 DSUP.

NON-GAAP AND OTHER FINANCIAL MEASURES

The Circular includes certain reported earnings in accordance with IFRS and the following non-GAAP financial measures:

Non-GAAP financial measures	
Adjusted EBIT	EBIT excluding special items. Special items comprise items which do not reflect the Corporation's core performance or where their separate presentation will assist users of the consolidated financial statements in understanding the Corporation's results for the period. Such items include, among others, the impact of restructuring charges, the impact of business disposal and significant impairment charges and reversals.
Adjusted EBITDA	Adjusted EBIT plus amortization and impairment charges on property, plant and equipment and intangible assets.
Adjusted liquidity	Cash and cash equivalents from continuing operations, plus certain restricted cash supporting various bank guarantees
Adjusted net debt	Long-term debt from continuing operations less cash and cash equivalents from continuing operations less certain restricted cash supporting various bank guarantees.
Free cash flow (usage)	Cash flows from operating activities less net additions to property, plant and equipment and intangible assets.
Non-GAAP financial ratios	
Adjusted EBIT margin	Adjusted EBIT, as a percentage of total revenues.
Adjusted EBITDA margin	Adjusted EBITDA, as a percentage of total revenues.
Adjusted net debt to adjusted EBITDA ratio	Adjusted net debt, as a percentage of adjusted EBITDA.

The Corporation believes that providing certain non-GAAP and other financial measures in addition to IFRS measures provides users of the Corporation's Circular with enhanced understanding of the Corporation's results and related trends and increases the transparency and clarity of the core results of its business. For these reasons, a significant number of users of this Circular analyze the Corporation's results based on these financial measures.

Non-GAAP and other financial measures are measures mainly derived from the consolidated financial statements but are not standardized financial measures under the financial reporting framework used to prepare our financial statements. Therefore, these might not be comparable to similar Non-GAAP and other financial measures used by other issuers. The exclusion of certain items from non-GAAP or other financial measures does not imply that these items are necessarily non-recurring.

Adjusted liquidity

Adjusted liquidity is defined as cash and cash equivalents from continuing operations, plus certain restricted cash supporting various bank guarantees. Management believes that this non-GAAP financial measure is a useful measure because it includes items in its results that management believes is a better reflection of the companies liquidity. This measure does not have any standardized meaning prescribed by IFRS and therefore, may not be comparable to similar measures presented by other companies.

Adjusted EBIT, adjusted EBIT margin, adjusted EBITDA and adjusted EBITDA margin

Management uses Adjusted EBIT, adjusted EBIT margin, adjusted EBITDA and adjusted EBITDA margin for purposes of evaluating underlying business performance. Management believes this non-GAAP earnings measure in addition to IFRS measures provide users of this Circular with enhanced understanding of the Corporation's results and related trends and increases the transparency and clarity of the core results of its business. Adjusted EBIT, adjusted EBIT margin, adjusted EBITDA and adjusted EBITDA margin exclude items that do not reflect the Corporation's core performance or where its exclusion will assist users in understanding the Corporation's results for the period. For these reasons, a significant number of users of this Circular analyze the Corporation's results based on these financial measures. Management believes these measures help users of this Circular to better analyze results, enabling better comparability of the Corporation's results from one period to another and with peers.

Adjusted net debt

Adjusted net debt is defined as long-term debt less cash and cash equivalents from continuing operations less certain restricted cash supporting various bank guarantees. Management believes that this non-GAAP financial measure is a useful measure because it reflects the Corporation's ability to service its debt and other long term obligations. This measure does not have any standardized meaning prescribed by IFRS and therefore, may not be comparable to similar measures presented by other companies.

Adjusted net debt to adjusted EBITDA ratio

Management uses adjusted net debt to adjusted EBITDA ratio as a useful credit measure for purposes of measuring the corporation’s ability to service its debt and other long-term obligations. This ratio does not have any standardized meaning prescribed by IFRS and therefore, may not be comparable to similar measures presented by other companies.

Free cash flow (usage)

Free cash flow is defined as cash flows from operating activities - continued operations less net additions to property, plant and equipment and intangible assets. Management believes that this non-GAAP cash flow measure provides investors with an important perspective on the Corporation’s generation of cash available for shareholders, debt repayment, and acquisitions after making the capital investments required to support ongoing business operations and long-term value creation. This non-GAAP cash flow measure does not represent the residual cash flow available for discretionary expenditures as it excludes certain mandatory expenditures such as repayment of maturing debt. Management uses free cash flow as a measure to assess both business performance and overall liquidity generation.

Reconciliations of (i) adjusted liquidity to cash and cash equivalents (ii) adjusted EBITDA to EBITDA (iii) free cash flow usage to cash flows from operating activities and (iv) Reconciliation of adjusted net debt to long-term debt are provided in the following tables:

Reconciliation of adjusted liquidity to cash and cash equivalents [(1)]

	Fiscal years ended December 31			
		2021 (million)		2020 (million)
Cash and cash equivalents from continuing operations	**$**	**1,675**	$	1,779
Certain restricted cash supporting various bank guarantees		**429**		—
Adjusted liquidity	**$**	**2,104**	$	1,779

[(1)] Includes continuing operations only.

Reconciliation of adjusted EBITDA to EBIT[(1)]

	Fiscal years ended December 31			
		2021 (million)		2020 (million)
EBIT	**$**	**241**	$	912
Amortization		**417**		411
Impairment charges on property, plant and equipment and intangible assets[(2)]		**3**		42
Special items excluding impairment charges on property, plant and equipment and intangible assets[(2)]		**(21)**		(1,165)
Adjusted EBITDA	**$**	**640**	$	200

[(1)] Includes continuing operations only.

[(2)] Refer to the Consolidated results of operations section of the MD&A for details regarding special items.

Reconciliation of free cash flow (usage) to cash flow from operating activities[1]

		Fiscal years ended December 31		
		2021 (million)		2020 (million)
Cash flows from operating activities - continuing operations	**$**	**332**	$	(1,672)
Net additions to property, plant and equipment and intangible assets		**(232)**		(221)
Free cash flow (usage) from continuing operations[1]	**$**	**100**	$	(1,893)

[1] Includes continuing operations only.

Reconciliation of adjusted net debt to long-term debt[1]

		Fiscal years ended December 31		
		2021 (million)		2020 (million)
Long-term debt	**$**	**7,047**	$	10,075
Less: Cash and cash equivalents from continuing operations		**1,675**		1,779
Certain restricted cash supporting various bank guarantees		**429**		—
Adjusted net debt	**$**	**4,943**	$	8,296

[1] Includes continuing operations only.

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