



Notice of Annual Meeting of Shareholders 2023

To be held on April 27, 2023
in Montréal, Québec, Canada

BOMBARDIER

Bombardier today

A portfolio of visionary aircraft that embody performance, sustainability and innovation

Bombardier is a global leader in aviation, focused on designing, manufacturing, and servicing the world's most exceptional business jets. Bombardier has a worldwide fleet of approximately 5,000 aircraft in service with a wide variety of multinational corporations, charter and fractional ownership providers, governments, and private individuals. Bombardier aircraft are also trusted around the world in special-mission roles. Headquartered in greater Montréal, Québec, Bombardier operates aerostructure, assembly and completion facilities in Canada, the United States and Mexico. The company's robust customer support network includes facilities in strategic locations around the world.



BOMBARDIER

Letter to Shareholders

Dear Shareholders,

It is our pleasure to invite you to Bombardier’s Annual Meeting of Shareholders, which will be held virtually on April 27, 2023. Our Board of Directors and our Senior Leadership Team look forward to connecting with you, and in the meantime this Management Proxy Circular contains the information you will need to be an informed participant.

Bombardier continues to innovate, perform and grow, as a company focused on designing, building and servicing the world’s best business jets. The year 2022, in which we celebrated our 80th anniversary, was particularly successful, from expanding our worldwide service centre network to launching the flagship Global 8000 aircraft and delivering the first Challenger 3500 business jets.

As our products continued to turn heads, so did opportunities for careers at Bombardier. Our total number of employees increased by more than 2,000 people around the world as we showed ourselves to be an employer of choice offering diverse and fascinating careers, notably within our larger service network and our newly inaugurated Bombardier Defense group.

We engaged our stakeholders in Canada, the U.S. and around the world to raise our profile and tell our story, including our impressive leadership in building a more sustainable future for business aviation. We gave the world a glimpse of our revolutionary EcoJet research project and capped off the year by signing a landmark agreement with Signature Aviation to cover the totality of our flight operations with Sustainable Aviation Fuel, utilizing a Book and Claim system, as of 2023.

We are proud of how we executed our product and service strategy, but even more so of our financial performance—Bombardier proactively reduced its debt, regaining the confidence of the financial community. We are well on track to the plan that was laid out as part of our Investor Days over the last two years.

We look forward to our meeting on April 27. On behalf of Bombardier’s Board of Directors and our leadership team, thank you for being a shareholder and thank you in advance for your participation - your perspective and feedback are important to us as we strive to make Bombardier a better company with every passing quarter.



15,900
Number of worldwide employees



10
Number of service centres



5,000 +
Aircraft in service



Pierre Beaudoin

Chair of the Board of Directors of Bombardier Inc.



Éric Martel

President and Chief Executive Officer, Bombardier Inc.

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Notice of our 2023 annual meeting of shareholders and availability of materials

NOTICE IS HEREBY GIVEN THAT Bombardier Inc. (the "Corporation") will hold its annual meeting of holders of Class A shares (multiple voting) and Class B shares (subordinate voting) (the "Meeting").



When:

Thursday,
April 27, 2023



Time:

10:30 a.m.
(Montréal time)



Where:

bombardier.com/en/agm2023
Enter password: **bombardier2023** (case sensitive)

We will be holding our annual meeting of shareholders in a virtual-only format, which will be conducted via webcast. We believe that holding a virtual meeting will allow for greater participation by our shareholders, as well as our employees and other interested parties, allowing those who could not attend a physical meeting to attend online. Registered shareholders and duly appointed proxyholders, regardless of their location, will have an equal opportunity to attend, participate in and vote at the Meeting.

Financial Statements and related management discussion and analysis (the "**2022 Financial Report**", and together with the Circular, the "**Meeting Materials**") by the mail, shareholders receive a notice with instructions on how to access the Meeting Materials online. **The Meeting Materials are available on our website at bombardier.com/en/agm2023 as well as on the Canadian Securities Administrators' website at www.sedar.com. The Meeting Materials should be reviewed prior to voting.**

Business to be transacted at the meeting:

1. **To receive** our consolidated financial statements for the fiscal year ended December 31, 2022, together with the auditors' report thereon (the "**2022 Financial Statements**");
2. **To appoint** Ernst & Young LLP as the independent auditors of the Corporation until the next annual meeting of shareholders and authorize the directors of Bombardier to fix their remuneration;
3. **To elect** each of the directors nominated to serve on our Board of Directors until the next annual meeting of shareholders;
4. **To approve**, if deemed appropriate, a non-binding advisory resolution on our approach to executive compensation;
5. **To vote** on the shareholder proposal we received from a shareholder this year, as set out in Appendix "B" of this Circular; and
6. **To consider** such other business as may properly come before the Meeting.

How to request a paper copy of the meeting materials

Shareholders may request a paper copy of the Circular and/or the 2022 Financial Report, 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). **If you request a paper copy of the 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.**

We need to receive your request by **April 14, 2023**, if you want to receive the Circular before the Meeting. After the Meeting, please call at 1 866 964 0492 (Canada and the United States) or +1 514 982 8714 (other countries) to ask for a printed copy.

Attendance and voting at the meeting

The record date for determination of shareholders entitled to receive notice of and to vote at the Meeting was **March 6, 2023** (the "**Record Date**"). Only holders of Class A shares (multiple voting) and Class B shares (subordinate voting) of the Corporation whose names have been entered in the register of our shares on the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

Registered shareholders and duly appointed proxyholders will be able to attend, participate, vote and ask questions in writing at the Meeting via the webcast.

Notice-and-access

We have opted to use notice-and-access, as permitted under Canadian securities laws, to deliver the Management Proxy Circular (the "**Circular**") and related materials for the Meeting to both our registered and non-registered shareholders, in order to reduce paper, printing and postage. Instead of receiving the Circular and the 2022

Non-registered shareholders who have not duly appointed themselves as their proxyholder and registered with our transfer agent, Computershare Investor Services Inc. ("**Computershare**"), will be able to attend the Meeting only as guests. Guests will be able to attend and listen to the

REGISTERED SHAREHOLDERS

You are a registered shareholder if your shares are held in your name.

Proxy voting

Shareholders who wish to appoint a proxyholder other than the persons designated by the Corporation on the form of proxy or voting instruction form (including a non-registered shareholder who wishes to appoint himself or herself as proxyholder) must carefully follow the instructions under the heading "Proxies" in Section 1 (General Information) of the Circular, and on their proxy or voting instruction form. These instructions include the additional step of registering the proxyholder with our transfer agent, Computershare, after submitting their proxy form or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving a control number that will serve as their online sign-in credentials and that is required to vote at the Meeting, therefore, will only be able to attend the online Meeting as a guest.

A proxy form or voting instructions form is provided with this notice. If you cannot attend the Meeting, please sign and return the form following the instructions under the heading "Proxies" in Section 1 (General Information) of the Circular.

Proxies submitted by mail, phone or internet must be received by Computershare Investor Services Inc. by no later than 4:00 p.m., Eastern Time, on April 25, 2023.

We wish to have as many shares as possible represented and voted at the Meeting. For this reason, and regardless of whether you are able to attend the Meeting via the live webcast, shareholders are strongly encouraged to complete, date, sign and return the accompanying form of proxy or voting instruction form, as applicable, in accordance with the instructions set out on such form and in the Circular or, alternatively, vote by phone or vote using the internet. Instructions on how to vote by phone or by using the internet are provided in the form of proxy or voting instruction form and under the heading "Proxies - How to Vote" in Section 1 (General Information) of the Circular.

Meeting via the webcast, but will not be able to vote or ask questions. A recording of the Meeting webcast will be available on the Corporation's website for a period of time afterwards.

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, securities dealer or broker or other financial institution. Non-registered shareholders are either objecting beneficial owners who object that intermediaries disclose information about their ownership in the Corporation, or non-objecting beneficial owners, who do not object to such disclosure.

Questions

If you are a registered shareholder and have any questions regarding this Notice of Meeting, the notice-and-access mechanism or the Meeting, please contact our transfer agent, Computershare Investor Services Inc. at 1 800 564 6253 (Canada and United States) or +1 514 982 7555 (other countries) or by e:mail at service@computershare.com. If you are a non-registered shareholder, please contact Broadridge Investor Communication Corporation: Toll Free Number: 844 916 0609 (English) or Toll Free Number: 844 973 0593 (French).

Dorval, Québec,
Dated March 13, 2023

By order of the Board of Directors,



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

BOMBARDIER

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Forward-looking statements

This Management Proxy Circular (“Circular”) includes forward-looking statements, which may involve, but are not limited to: statements with respect to our 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 ability to continue business transition to growth cycle and cash generation; expectations, objectives and strategies regarding debt repayment, refinancing of maturities and interest cost reduction; 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; expectations regarding the availability of government assistance programs; both the repercussions of the COVID-19 pandemic and the impact of the ongoing military conflict between Ukraine and Russia on the foregoing and the effectiveness of plans and measures we have implemented in response thereto; and expectations regarding the strength of the market, inflationary and supply chain pressures, and ongoing 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, guidance, 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 the 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 transactions in respect of real estate assets on favorable terms; and access to working capital facilities on market terms. For additional information, including with respect to 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, 2022, which may be viewed on SEDAR at www.sedar.com (“MD&A”). Given the impact of the changing circumstances surrounding both the repercussions of the COVID-19 pandemic and the ongoing military conflict between Ukraine and Russia, including because of the emergence of COVID-19 variants and the imposition of financial and economic sanctions and export control limitations, and the related response from the Corporation, governments (federal, provincial and municipal, both domestic, foreign and multinational inter-governmental organizations), 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; operational risks (such as risks related to development of new business; order backlog; deployment and execution of our strategy, including cost reductions and working capital improvements and manufacturing and productivity enhancement initiatives; developing new products and services; the certification of products and services; pressures on cash flows and capital expenditures, including due to seasonality and cyclicity; doing business with partners; product performance warranty and casualty claim losses; environmental, health and safety concerns and regulations; dependence on limited number of contracts, customers and suppliers, including supply chain risks; human resources including the global availability of a skilled workforce; reliance on information systems (including technology vulnerabilities, cybersecurity threats and privacy breaches); reliance on and protection of intellectual property rights; reputation risks; adequacy of insurance coverage; risk management; and tax matters); financing risks (such as risks related to liquidity and access to capital markets; substantial debt and interest payment requirements, including execution of debt management and interest cost reduction strategies; restrictive and financial debt covenants; retirement benefit plan risk; exposure to credit risk; and reliance on government support); risks related to regulatory and legal proceedings; business environment risks (such as risks associated with the financial condition of business aircraft customers; trade policy; increased competition; political instability; financial and economic sanctions and export control limitations; global climate change; and force majeure events); market risks (such as foreign currency fluctuations; changing interest rates; increases in commodity prices; and inflation rate fluctuations); and other unforeseen adverse events. For more details, see the Risks and uncertainties section in Other in the MD&A. Any one or more of the foregoing factors may be exacerbated by the repercussions of the COVID-19 pandemic and the ongoing military conflict between Ukraine and Russia, 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 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 Circular 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: General information

This Management Proxy Circular ("**Circular**") is provided in relation to the solicitation of proxies by the management of Bombardier Inc. ("**Bombardier**" or the "**Corporation**") for use at the annual meeting of holders of Class A shares (multiple voting) ("**Class A shares**") and Class B shares (subordinate voting) ("**Class B subordinate voting shares**") of the Corporation which will be held virtually, via live webcast, on April 27, 2023, and at any adjournment thereof (the "**Meeting**"). The record date for determination of shareholders entitled to receive notice and to vote at the Meeting is March 6, 2023 (the "**Record Date**"). Unless otherwise indicated, the information provided in this Circular that relates to financial information is provided as at December 31, 2022, all other information is provided as at March 13, 2023, and all currency amounts are shown in U.S. dollars.

We encourage you to read this Circular and our consolidated financial statements for the fiscal year ended December 31, 2022 and related management's discussion and analysis (the "**2022 Financial Report**", and together with the Circular, the "**Meeting Materials**"), to learn more about Bombardier. We believe that by getting to know us, you will appreciate the strength of our commitment to our shareholders and stakeholders.

Attending the virtual meeting

We are providing facilities to allow our shareholders to participate in a virtual meeting format whereby registered shareholders and duly appointed proxyholders (including non-registered shareholders who have duly appointed themselves as proxyholder and registered with our transfer agent, Computershare Investor Services Inc. ("**Computershare**") may attend, participate in and vote at the Meeting via live webcast. To attend the Meeting, registered and non-registered shareholders will need to login via the link to the live webcast that will be available at bombardier.com/en/agm2023 and follow the instructions set forth in this Circular. The virtual Meeting platform is fully supported across browsers and devices running the most updated version of applicable software plugins. You should ensure you have a strong, preferably high-speed, internet connection wherever you intend to attend the Meeting. The Meeting will begin at 10:30 a.m. (Montréal Time) on April 27, 2023. You should allow ample time to check into the Meeting online (it is recommended at least 15 minutes before the Meeting starts). Attending the Meeting virtually enables registered shareholders and duly appointed proxyholders to submit questions in real time. Please see the heading "How to Vote" in this Section 1 of the Circular for additional instructions. Shareholders and duly appointed proxyholders who participate in the Meeting virtually must be connected to the internet at all times during the Meeting in order to vote when balloting commences, and it is their responsibility to ensure connectivity during the Meeting.

Non-registered beneficial shareholders who have not duly appointed themselves as proxyholders can attend the Meeting as guests. Guests will be able to attend the Meeting by joining the webcast at bombardier.com/en/agm2023, but will not be able to submit questions nor vote their shares (if any).

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. Questions may be submitted in writing by using the relevant dialog box in the function "Ask a question" 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 Chair does not intend to address questions that:

- are irrelevant to the business of the Meeting or to the Corporation's operations;
- are related to non-public information about the Corporation;
- 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 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/agm2023. 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.

Notice and access

As permitted by Canadian securities regulators, we are using notice-and-access to deliver the Meeting Materials, including this Circular, to both our registered and non-registered shareholders. This means that the Circular is being posted online for shareholders to access, rather than being mailed out. Notice-and-access gives shareholders more choice, substantially reduces the Corporation's printing and mailing costs, and is more environmentally friendly as it reduces materials and energy consumption. Shareholders will still receive a form of proxy or a voting instruction form in the mail (unless shareholders have chosen to receive proxy materials electronically) so they can vote their shares but, instead of automatically receiving a paper copy of this Circular, shareholders will receive a notice with information about how they can access the Circular electronically and how to request a paper copy. This Circular is available on the Corporation's website at bombardier.com/en/agm2023 or on SEDAR at www.sedar.com. Shareholders may request a paper copy of this Circular at no cost, up to one year from the date this Circular was filed on SEDAR. To ensure you receive the materials in advance of the voting deadline and Meeting date, all requests for a paper copy must be received no later than **April 14, 2023**. If you do request the paper copies of the Circular or the 2022 Financial Report, **please note that another proxy form or voting instruction form will not be sent; so please retain your current one for voting purposes**. Request for Meeting Materials may be made by calling 1 866 964 0492 (Canada and the United States) or +1 514 982 8714 (other countries).

If you have any questions, registered shareholders may call Computershare at 1 866 964 0492 (Canada and the United States) or +1 514 982 8714 (other countries), and non-registered shareholders may call Broadridge Investor Communication Corporation: Toll Free Number: 844-916-0609 (English) or Toll Free Number: 844-973-0593 (French).

To obtain a paper copy of the Meeting Materials after the Meeting, please contact Bombardier's Investor Relations department by sending an e-mail to Francis.Richer.de.la.Fleche@bombardier.com, by visiting the Investors section on the Corporation's website at bombardier.com/en/investors or as follows:

Investor Relations
Bombardier Inc.
400 Cote-Vertu Road West
Montreal, Quebec, Canada
H4S 1Y9
Tel.: +1 514 240 9649

Proxies

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 the Corporation.

The management of the Corporation 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.

APPOINTMENT OF A PROXYHOLDER

Every shareholder has the right to appoint themselves or any person to act on their behalf at the Meeting, other than the Corporation's designated proxies, Mr. Pierre Beaudoin or Mr. Éric Martel. To exercise this right, a shareholder should insert a proxyholder's name in the space provided on the proxy form or the voting information form (as applicable), and make sure they follow all the instructions set out herein below. The person you appoint does not need to be a shareholder of the Corporation.

Register your proxyholder: To register yourself or a third-party proxyholder, shareholders must visit www.computershare.com/Bombardier by 4:00 p.m. (Eastern time) before April 25, 2023 or, if the meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time and date of the adjourned or postponed meeting, and provide Computershare with the required proxyholder contact information so that Computershare may provide the proxyholder with a control code via email. Registering your proxyholder is an additional step to be completed AFTER you have submitted your form of proxy or voting instruction form. Failure to register your proxyholder will result in the proxyholder not receiving a control code that is required to vote at the Meeting. Without a control code, proxyholders will not be able to vote at the Meeting or ask questions at the meeting, but will be able to participate as a guest.

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, and which must be received by 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 further 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, voting at the Meeting will revoke any previous proxy.

HOW WILL MY SHARES BE VOTED?

You have the choice to vote FOR, AGAINST or WITHHOLD, depending upon the item to be voted upon. Your proxyholder will follow your voting instructions indicated in your proxy form or voting instruction form. Unless you appoint someone else, Pierre Beaudoin or Éric Martel, respectively Chair 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 our Employee Share Purchase Plan) (the “**Named Proxyholder**”) will vote your shares for you at the Meeting according to your instructions. 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, or if more than one choice is indicated, the shares represented by your form of proxy or the voting instruction form will be voted as follows:

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 election of all the nominees proposed as directors in the Circular;

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

AGAINST the shareholder proposal set out in Appendix “B”.

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 thereof.

HOW WILL THESE MATTERS BE DECIDED AT THE MEETING?

A simple majority of the votes cast FOR a matter, by proxy or at the Meeting online, will constitute approval of each such matter specified in this Circular.

HOW TO VOTE

Only persons shown on the register of shareholders at the close of business on the Record Date of March 6, 2023 and duly appointed proxyholders (including non-registered shareholders who have duly appointed themselves as proxyholders), will be entitled to vote at the Meeting. The register of holders of Class A shares and Class B subordinate voting shares are kept by Bombardier’s transfer agent, Computershare.

REGISTERED SHAREHOLDERS

You are a registered shareholder if your name appears on your share certificate. Receiving a proxy form tells you whether you are a registered shareholder. If you are a registered shareholder, you will receive a form of proxy containing the relevant details concerning the business of the Meeting, including a control number that must be used in order to vote by proxy in advance of the Meeting or to join the live webcast the day of the Meeting to attend, submit questions and vote at the Meeting, as applicable.

NON-REGISTERED SHAREHOLDERS

Non-registered shareholders or “beneficial owners” are holders whose shares are held on their behalf through an intermediary or “nominee” such as a bank, a trust company, a securities dealer or broker or other financial institution. When you receive a voting instruction form, this tells you that you are a non-registered shareholder. Most Bombardier shareholders hold their shares in this way. Non-registered shareholders are required to seek their voting instructions from their nominees as to how to complete their voting instruction if they wish to vote their shares themselves at the Meeting. Non-registered shareholders will have received from their nominees a package of information with respect to the Meeting, including the voting instruction form. Each nominee has its own signature and return instructions. It is important that non-registered shareholders comply with these instructions if they want the voting rights attached to their shares to be exercised.

Non-registered shareholders who have not duly appointed themselves as proxyholder will not be entitled to vote at the Meeting during the live webcast, or ask questions. If you are a non-registered shareholder and have not appointed yourself as a proxyholder, you will be able to attend the Meeting as a guest, but will not be able to vote your shares or ask questions at the Meeting. **To appoint yourself as proxyholder, you must follow the instructions set out under the heading “Appointment of a Proxyholder” in this Section 1 of the Circular.**

VOTING IN ADVANCE OF THE MEETING

Shareholders are strongly encouraged to vote in advance of the Meeting whether or not they are able to attend the Meeting (or any adjournment thereof) via the live webcast. Below are the different ways in which registered and non-registered shareholders can give voting instructions, details of which are found on the form of proxy or voting instruction form provided, as applicable.

Option 1 - vote by proxy in advance of Meeting

REGISTERED SHAREHOLDERS

-  Online 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.

NON-REGISTERED SHAREHOLDERS

-  Online 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.

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.

-  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 April 25, 2023. See “Appointment of a Proxyholder” above for the complete procedure to follow to appoint another person to act as your proxyholder.

Option 2 - Vote Virtually at the Meeting

REGISTERED SHAREHOLDERS - If you are a registered shareholder, you will be able to attend, participate, submit questions and vote live at the Meeting by following the instructions below:

1. Log in at bombardier.com/en/agm2023 at least 15 minutes before the Meeting starts
2. Click “I have a control number”
3. Enter your control number located on your proxy form
4. Enter the password: bombardier2023 (case sensitive)
5. Follow the instructions to access the Meeting, and vote when prompted

NON-REGISTERED SHAREHOLDERS, including employees holding shares under the ESPP

If you are a non-registered shareholder, you can vote your shares at the Meeting if you have instructed your nominee to appoint you as a proxyholder by submitting your voting instruction form identifying yourself as a proxyholder. **Appoint yourself as proxyholder by following the complete procedure set out under the heading “Appointment of a Proxyholder” in this Section 1 of the Circular.** Once you have appointed yourself and have received the proxyholder control code, you will be able to attend, participate, submit questions and vote live at the Meeting by logging in online and following the instructions below:

1. Log in at bombardier.com/en/agm2023 at least 15 minutes before the Meeting starts
2. Click on “I have a control number”
3. Enter your control code
4. Enter the password: bombardier2023 (case sensitive)
5. Follow the instructions to access the Meeting, and vote when prompted

If you are a non-registered shareholder and you have not instructed your nominee to appoint you as proxyholder, you will not be able to vote at the Meeting, but will be able to attend as a guest.

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.

GUESTS—Guests will be able to attend the Meeting, but will not be able to submit questions, vote their shares (if any) or otherwise participate in the Meeting.

1. Log in at bombardier.com/en/agm2023 at least 15 minutes before the Meeting starts
2. Click “Guest”
3. Complete the online form

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 the Corporation; and (ii) as necessary in order to comply with legal requirements.

CHANGING YOUR VOTE

If you are a registered shareholder and you change your mind about how you voted before the Meeting, you may provide new voting instruction at www.computershare.com/Bombardier, or new form of proxy to Computershare at any time before 4:00 p.m, Eastern Time on April 25, 2023. A proxy may also be revoked by delivering a written notice to the registered office of the Corporation at 400 Côte-Vertu Road West Dorval, Québec, Canada H4S 1Y9 or by email at: corporatelegalaffairs@bombardier.com, Attention: Corporate Secretary, which must be received prior to or no later than 4:00 p.m. (Montréal time) on April 26, 2023, the last business day preceding the date of the Meeting, or any adjournment thereof. A registered shareholder may also access the Meeting via the live webcast to vote at the Meeting, which will revoke any previously submitted proxy. If you do not wish to revoke a previously submitted proxy, you should attend the Meeting as a guest. Guests can listen to the Meeting, but are not able to vote nor submit questions.

If you are a non-registered shareholder and you change your mind about how you voted before the Meeting, contact your broker or other intermediary to inquire about how you should proceed. Please note that your intermediary will need to receive any new instructions sufficiently in advance of the Meeting to act on them.

Voting shares and principal shareholders

The Corporation’s authorized share capital consists of (i) an unlimited number of preferred shares issuable in series (the “**Preferred Shares**”), of which 12,000,000 have been designated as the Series 2 Preferred Shares, 12,000,000 have been designated as the Series 3 Preferred Shares and 9,400,000 have been designated as the Series 4 Preferred Shares, (ii) 143,680,000 Class A shares, and 143,680,000 Class B subordinate voting shares, all without par value. The Class B subordinate voting shares 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. Each Class A share is convertible, at any time, at the option of the holder, into one Class B subordinate 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 Corporation’s 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 following summary of the material features of the Corporation's authorized share capital is given subject to the detailed provisions of its Restated Articles of Incorporation.

CLASS A SHARES AND CLASS B SUBORDINATE VOTING SHARES

SUBORDINATION AND VOTING RIGHTS

The Class A shares and the Class B subordinate voting shares rank after the Preferred Shares with respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation. At each meeting of the shareholders of the Corporation, except those meetings where only the holders of shares of another class or of a particular series are entitled to vote, each Class A share entitles the holder thereof to ten votes and each Class B subordinate voting share entitles the holder thereof to one vote.

Why a dual-class share structure?

Although there are differences in the voting rights between the Class A shares and Class B subordinates voting shares, we believe our corporate governance practices adequately protects and promotes the rights and interests of all shareholders. Shareholders, employees and other stakeholders are familiar with the Corporation's dual-class share structure. We believe that such a structure promotes long-term majority ownership and has a significant positive impact on the Corporation's long-term returns, by allowing management and the Board of Directors to focus on long-term strategy and value creation, and to make decisions without having to satisfy short-term financial expectations that can be detrimental and lead to disproportionate risk-taking in relation to the expected benefits to all shareholders.

SUBORDINATION AND VOTING RIGHTS

DIVIDENDS AND LIQUIDATION

The holders of Class B subordinate voting shares are entitled to receive, in each fiscal year, if declared by the Board of Directors of the Corporation, in priority to the holders of Class A shares, a non-cumulative dividend at the rate of Cdn \$0.0015625 per share per annum. After payment or setting aside for payment of said dividend, the holders of Class A shares and the holders of Class B subordinate voting shares are equally entitled, share for share, to any additional dividend which may be declared by the Board of Directors of the Corporation in such fiscal year with respect to the Class A shares and Class B subordinate voting shares.

In the event of the liquidation or winding-up of the Corporation or of any other distribution of its assets among its shareholders for the purpose of winding up its affairs, the holders of Class A shares and the holders of Class B subordinate voting shares will be entitled, share for share, to receive on a pro rata basis all of the assets of the Corporation remaining after payment of all of its liabilities, subject to the preferential rights attached to any shares ranking prior to the Class A shares and Class B subordinate voting shares.

SUBDIVISION OR CONSOLIDATION

In the event of the subdivision or consolidation of the Class A shares or the Class B subordinate voting shares, the Class A shares or the Class B subordinate voting shares, as the case may be, shall be subdivided or consolidated at the same time and in the same manner.

CONVERSION PRIVILEGE

Each Class A share is convertible at any time by the holder thereof into one fully paid and non-assessable Class B subordinate voting share. Each Class B subordinate voting share is convertible by the holder thereof into one fully paid and non-assessable Class A share at any time upon and after the occurrence of either one of the following events: (i) if an Offer (as defined in the articles of the Corporation) is made to all holders of Class A shares to acquire Class A shares and such Offer is accepted by the Majority Holder, namely the Bombardier family; or (ii) if the Bombardier family ceases to hold, directly or indirectly, more than 50% outstanding Class A shares.

Except for the rights, privileges, restrictions and conditions attached to the Class A shares and Class B subordinate voting shares as described above, the Class A shares and the Class B subordinate voting shares have the rights, are equal in all respects and are treated by the Corporation as if they were shares of one class only.

SHARE CONSOLIDATION

On June 9, 2022, the Corporation announced the consolidation of the issued and unissued Class A shares and of the Class B subordinate voting shares at a ratio of one post-consolidation share for every twenty-five pre-consolidation Class A shares or Class B subordinate voting shares, as applicable, effective on June 13, 2022. As a result of the share consolidation, the number of issued and outstanding Class A shares and Class B subordinate voting shares was reduced from approximately 308,734,229 Class A shares and 1,134,347,470 Class B subordinate voting shares to approximately 12,349,369 Class A shares and 85,373,898 Class B subordinate voting shares.

PRINCIPAL HOLDERS OF THE CLASS A SHARES AND CLASS B SUBORDINATE VOTING SHARES

As at the Record Date, there were 12,349,370 Class A shares and 86,340,878 Class B subordinate voting shares of the Corporation issued and outstanding, and the voting rights associated with the Class B subordinate voting shares represented approximately 40.90% of the voting rights attached to all of the issued and outstanding voting shares of the Corporation.

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, 9,977,978 Class A shares and 1,208,449 Class B subordinate voting shares, representing in the aggregate 80.80% of the issued and outstanding Class A shares and 1.40% of the issued and outstanding Class B subordinate voting shares of the Corporation and 48.13% of all the voting rights attached to all of its issued and outstanding voting shares, as shown in the table below:

NAME	Class A shares		Class B subordinate voting shares	
	Number	% of Class	Number	% of Class
Janine Bombardier	2,478,936	20.07%	284,404	0.33%
Claire Bombardier Beaudoin	2,454,936 ⁽¹⁾	19.88%	347,805 ⁽²⁾	0.40%
Huguette Bombardier Fontaine	2,428,070	19.66%	282,805	0.33%
J. R. André Bombardier	2,616,036	21.18%	293,435	0.34%

- (1) Includes 20,000 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, 496,519 additional Class A shares and 238,367 additional Class B subordinate voting shares, representing 0.74% of all the Class A shares and Class B subordinate voting shares issued and outstanding and 2.48% of all the voting rights attached to all the shares of the Corporation.

Section 2: Business of the Meeting

Receipt of financial statements

Our consolidated financial statements for the fiscal year ended December 31, 2022 and the auditors' report thereon are included in our 2022 Financial Report and will be tabled at the Meeting. The 2022 Financial Report was mailed to shareholders who requested a copy. Copies of the 2022 Financial Report may be obtained from the Corporation upon request and are available online at bombardier.com/en/agm2023 and on SEDAR at www.sedar.com

Appointment of the independent auditors

The Board of Directors, upon the recommendation of the Audit Committee, proposes that Ernst & Young be appointed as Bombardier's independent auditor until the next annual meeting of shareholders and that the directors of Bombardier be authorized to fix their remuneration.

If you have not specified how you want your Shares to be voted and if you have authorized the Named Proxyholder as your proxyholder, the Named Proxyholder will vote FOR the appointment of Ernst & Young LLP, chartered professional accountants, and FOR authorizing the directors of Bombardier to fix their remuneration.

Election of the directors of Bombardier

Bombardier's 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, and it is proposed that 13 directors to be elected at the Meeting.

The Corporate Governance and Nominating Committee (the "CGNC") has recommended the following individuals for election as directors of the Corporation to serve until the end of the Corporation's next annual meeting of shareholders. Each nominee was elected at the Corporation's 2022 annual meeting of shareholders, with the exception of Ms. Rose Damen, who is nominated to be elected as a new director of the Corporation for the ensuing year. Each director has expressed their willingness to serve for another term. Elected directors will hold office until the close of the next annual meeting of shareholders or until a successor is elected or appointed. August W. Henningsen, a director of the Corporation since 2016, will reach the age of retirement under the retirement age policy of the Board of Directors prior to the date of the Meeting, and is therefore not standing for re-election at the Meeting. We wish to thank August for his contribution to the Board of Directors in the last seven years.

Assuming all 13 nominees are elected at the Meeting, the Board of Directors will comprise the following:

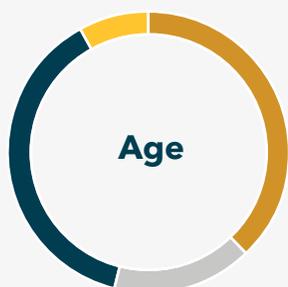
Board Diversity



62% men
38% women



38% 0-3 years
46% 4-9 years
16% 10 > years



16% < 50
38% 50-59
38% 60-69
8% 70 >



62% Canada
15% U.S.A
8% Europe
15% Asia

The proposed directors are qualified and bring to the Board of Directors a strong combination of diverse skills, experience and expertise, all of which are essential to ensure effective management on behalf of the shareholders. The 13 nominees proposed by the Board of Directors, on the recommendation of the CGNC, for election as a director are set out in the biographical charts below, and includes for each nominee: name; principal occupation; place of residence; age; whether the Board of Directors has determined that they are independent of the Corporation; if applicable, role on any of the Audit Committee, CGNC or Human Resources and Compensation Committee (“HRCC”); votes in favour of their election at the 2022 annual meeting of shareholders, if applicable; key skills they bring to the Board of Directors (please also see the Skills Matrix in Section 4 of this Circular for additional information about the skills and competencies of the nominees); current and past directorships of other public companies, including board of director committees thereof; the number of Class A shares, Class B subordinate voting shares and Director Deferred Stock Units (“DDSUs”) of the Corporation held (please also refer to Section 3 of this Circular for additional information about securities of the Corporation held by directors); and a narrative biography of education and relevant experience.

If you have not specified how you want your Shares to be voted and if you have authorized the Named Proxyholder as your proxyholder, the Named Proxyholder will vote FOR the election of each of the 13 nominees.

Pierre Beaudoin^(A) (B)



Reporting Issuer Board Memberships During the Last Five Years

Current Board/Committee Memberships

Power Corporation Of Canada (since 2005)	Member of the Related Party and Conduct Review Committee
BRP Inc. (since 2019)	Member of the Human Resources and Compensation Committee and of the Nominating, Governance and Social Responsibility Committee

Securities and Share Units Held

Chair of the Board of Directors

Québec, Canada

Age: 60

Director since 2004

Not independent

Votes in favour at previous annual meeting: 97.47%

Key skills:

Senior Leadership

Industry experience

International experience

Governance

Governmental affairs

	Class A shares	Class B subordinate voting shares	DDSUs ^(F)
December 31, 2022	20,514	38,109	–
December 31, 2021	20,154	38,109	–
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 Chair of the Board of Directors in July 2017. He is a member of the Board of Directors of Power Corporation of Canada and of BRP Inc.

Joanne Bissonnette^(C)



Corporate Director
 Québec, Canada
 Age: 61
 Director since 2012
 Not independent
 Votes in favour at previous annual meeting: 98.48%
 Key skills:
 Industry experience
 Brand experience
 Governance

Reporting Issuer Board Memberships During the Last Five Years

N/A

Current Board/Committee Memberships

N/A

Securities and Share Units Held

	Class A shares	Class B subordinate voting shares	DDSUs ^(F)
December 31, 2022	–	232	25,644
December 31, 2021	–	232	22,156
Change	–	–	3,488

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^(D)



Corporate Director
 Québec, Canada
 Age: 49
 Director since: 2019
 Not independent
 Votes in favour at previous annual meeting: 98.20%
 Key skills:
 Industry experience
 International experience
 Governance
 Corporate social responsibility

Reporting Issuer Board Memberships During the Last Five Years

BRP Inc. (since 2020)

Current Board/Committee Memberships

Member of the Investment and Risk Committee

Securities and Share Units Held

	Class A shares	Class B subordinate voting shares	DDSUs ^(F)
December 31, 2022	–	–	20,667
December 31, 2021	–	–	13,691
Change	–	–	6,976

Charles Bombardier is a Canadian engineer, entrepreneur and venture capitalist. After graduating in 1998, he joined Bombardier to develop advanced vehicle concepts in its recreational products division (BRP). In 2006, he left the family business and created Jophem Holdings to fund startups, design concepts & build prototypes. In 2015, he obtained a master's degree in engineering from the École de Technologie Supérieure (ÉTS). Between 2017 and 2019, he served as a senior consultant by the International Civil Aviation Organization (ICAO) to create a vision for the future of aviation. Mr. Bombardier is also President & Founder of NPO Imaginative and a member of the Board of Directors of BRP Inc.

Rose Damen



Managing Director, Damen Yachting
Noordeloos, Netherlands

Age: 38

Director since: N/A
(Ms. Damen is a new nominee for election as a director)

Independent

Votes in favour at previous annual meeting: N/A

Key skills:

Senior Leadership
Brand Experience
International Experience
Financial Literacy

Reporting Issuer Board Memberships During the Last Five Years

N/A

Current Board/Committee Memberships

N/A

Securities and Share Units Held

	Class A shares	Class B subordinate voting shares	DDSUs ^(F)
December 31, 2022	–	–	N/A
December 31, 2021	–	–	N/A
Change	–	–	N/A

Rose Damen is the Managing Director of Damen Yachting, the Dutch superyacht builder behind the iconic Amels brand. Prior to joining Damen Yachting, she spent five years in fund management at Intrinsic Value Investors (IVI), a London-based PER institutional investor. Ms. Damen holds a Bachelor's degree in Business Administration from Erasmus University in the Netherlands, has passed all three CFA exams and has an MBA from INSEAD. She is a Young Global Leader of the World Economic Forum and serves on a number of non-profit boards, including those focused on the arts.

Diane Fontaine^(E)



Senior Portfolio Manager and Investment Advisor RBC Dominion Securities Inc.

Québec, Canada

Age: 59

Director since 2019

Not independent

Votes in favour at previous annual meeting: 99.32%

Key skills:

Brand experience
Financial literacy
Governance
Capital markets/IR

Reporting Issuer Board Memberships During the Last Five Years

N/A

Current Board/Committee Memberships

N/A

Securities and Share Units Held

	Class A shares	Class B subordinate voting shares	DDSUs ^(F)
December 31, 2022	–	–	20,667
December 31, 2021	–	–	13,691
Change	–	–	6,976

Diane Fontaine holds a Bachelor of Business Administration degree from the University of Sherbrooke. She began her career as an investment advisor with McNeil Mantha Inc. in 1987. In 2000, she was awarded the title of Fellow of the Canadian Securities Institute. In addition, Ms. Fontaine has held positions of increasing responsibility, including Senior Portfolio Manager and Investment Advisor at RBC Dominion Securities Inc. Ms. Fontaine is a graduate of the Directors Education Program, developed jointly by the Institute of Corporate Directors and the Rotman School of Management at the University of Toronto. Finally, she devotes part of her time to the J.-A. Bombardier Foundation, where she serves as a Governor, member of the Executive Committee and Chair of the Investment Committee.

Ji-Xun Foo



Global Managing Partner of GGV Capital

Shanghai, China

Age: 54

Director since: 2022

Independent

Member of:

Audit Committee

Votes in favour at previous annual meeting: 97.80%

Key skills:

Senior leadership

International experience

Financial literacy

Capital markets/IR

Risk management

Reporting Issuer Board Memberships During the Last Five Years

Baidu, Inc.
Xpeng Inc.

Current Board/Committee Memberships

Member of the Board of Directors
Member of the Board of Directors

Securities and Share Units Held

	Class A shares	Class B subordinate voting shares	DDSUs ^(F)
December 31, 2022	–	–	5,614
December 31, 2021	–	–	–
Change	–	–	–

Ji-Xun Foo has been Global Managing Partner 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

Québec, Canada

Age: 62

Director since 2017

Independent

Member of:

Audit Committee (Chair)
CGNC

Votes in favour at previous annual meeting: 98.64%

Key skills:

Senior leadership

Brand experience

Financial literacy

Governance

Risk management

Reporting Issuer Board Memberships During the Last Five Years

TFI International Inc.

Current Board/Committee Memberships

Member of the Audit Committee

Securities and Share Units Held

	Class A shares	Class B subordinate voting shares	DDSUs ^(F)
December 31, 2022	–	–	28,114
December 31, 2021	–	–	20,047
Change	–	–	8,067

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.

Anthony R. Graham



Chair, President and Chief Executive Officer, Sumarria Inc., an investment holding company

Ontario, Canada

Age: 66

Director since: 2019

Independent

Member of:

HRCC (Chair)

Audit Committee

Votes in favour at previous annual meeting: 99.25%

Key skills:

Senior leadership

Brand experience

International experience

Financial literacy

HR / Compensation

Reporting Issuer Board Memberships During the Last Five Years

Power Corporation of Canada (since 2001)

Current Board/Committee Memberships

Chair of the Human Resources Committee and member of the Governance and Nominating Committee

Securities and Share Units Held

	Class A shares	Class B subordinate voting shares	DDSUs ^(F)
December 31, 2022	–	–	22,247
December 31, 2021	–	–	14,616
Change	–	–	7,631

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. He is also the Chair of the Board of Directors of Graymont Limited.

Éric Martel



President and Chief Executive Officer
Québec, Canada

Age: 55

Director since: 2020

Not independent

Votes in favour at previous annual meeting: 98.55%

Key skills:

Senior leadership

Industry experience

Operations/Manufacturing

Brand experience

International experience

Reporting Issuer Board Memberships During the Last Five Years

N/A

Current Board/Committee Memberships

N/A

Securities and Share Units Held

	Class A shares	Class B subordinate voting shares	DDSUs ^(F)
December 31, 2022	–	4,000	–
December 31, 2021	–	4,000	–
Change	–	–	–

Éric Martel has been President and Chief Executive Officer of Bombardier since 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
Illinois, United States
Age: 70
Director since 2017
Independent
Lead Director and Member of:
CGNC (Chair)
HRCC
Votes in favour at previous
annual meeting: 97.65%
Key skills:
Senior leadership
Operations/Manufacturing
Financial literacy
Governance
Risk management

Reporting Issuer Board Memberships During the Last Five Years

N/A

Current Board/ Committee Memberships

N/A

Securities and Share Units Held

	Class A shares	Class B subordinate voting shares	DDSUs ^(F)
December 31, 2022	–	4,000	16,443
December 31, 2021	–	4,000	12,955
Change	–	–	3,488

Douglas (Doug) R. Oberhelman was, at the time of his retirement in March 2017, the Chairman of Caterpillar Inc., a global leader in the manufacturing and sales of industrial machinery and equipment, and was a member of Caterpillar's executive office from 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.
Ontario, Canada
Age: 52
Director since: 2021
Independent
Member of:
CGNC
HRCC
Votes in favour at previous
annual meeting: 98.18%
Key skills:
Senior leadership
Brand experience
HR / Compensation
Corporate social responsibility
Risk management

Reporting Issuer Board Memberships During the Last Five Years

Rogers Communication Inc. (since 2002)

Current Board/ Committee Memberships

Deputy Chair of the Board of Directors and member of the Finance Committee, Nominating Committee and Pension Committee

Securities and Share Units Held

	Class A shares	Class B subordinate voting shares	DDSUs ^(F)
December 31, 2022	–	–	11,360
December 31, 2021	–	–	3,948
Change	–	–	7,412

Melinda Rogers-Hixon has been 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
Washington, United States

Age: 58

Director Since: 2021

Independent

Member of:

Audit Committee

Votes in favour at previous annual meeting: 98.90%

Key skills:

Senior leadership
Operations / Manufacturing
Brand experience
Financial literacy
Corporate social responsibility

Reporting Issuer Board Memberships During the Last Five Years

General Mills, Inc.

Current Board/Committee Memberships

Chair of the Public Responsibility Committee and member of the Audit Committee

Securities and Share Units Held

	Class A shares	Class B subordinate voting shares	DDSUs ^(F)
December 31, 2022	–	–	10,786
December 31, 2021	–	–	3,810
Change	–	–	6,976

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: 67

Director since 2017

Independent

Member of:

CGNC
HRCC

Votes in favour at previous annual meeting: 98.51%

Key skills:

Senior leadership
Industry experience
International experience
HR / Compensation
Governmental affairs

Reporting Issuer Board Memberships During the Last Five Years

BOC Aviation

Qantas Airways

Current Board/Committee Memberships

Chair of the Risk Committee, member of the Audit Committee and the Strategy and Budget Committee

Chair of the Safety, Security, Health and Environment Committee and member of the Nomination

Securities and Share Units Held

	Class A shares	Class B subordinate voting shares	DDSUs ^(F)
December 31, 2022	–	–	14,638
December 31, 2021	–	–	11,150
Change	–	–	3,488

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 in the biographical charts of the director nominees herein above is determined as at December 31, 2022 and December 31, 2021, 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 DDSUs, as at December 31, 2022, 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" in Section 3 of this Circular for details.
- (B) Claire Bombardier Beaudoin, mother of the director Pierre Beaudoin, exercises, through holding companies which she controls, control or direction over 2,454,936 Class A shares, which include 20,000 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 or direction jointly with her husband, Laurent Beaudoin, through Beaudier Inc. over 347,805 Class B subordinate voting shares.
- (C) Janine Bombardier, mother of the director Joanne Bissonnette, exercises, through holding companies which she controls, control or direction over 2,478,936 Class A shares and 284,404 Class B subordinate voting shares.
- (D) J. R. André Bombardier, father of the director Charles Bombardier, exercises, through holding companies which he controls, control or direction over 2,616,036 Class A shares and 293,435 Class B subordinate voting shares.
- (E) Huguette Bombardier Fontaine, mother of the director Diane Fontaine, exercises, through holding companies which she controls, control or direction over 2,428,070 Class A shares and 282,805 Class B subordinate voting shares.
- (F) "DDSUs" 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 DDSUs for each director has been determined as at December 31, 2022 and December 31, 2021, 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, 2022, the number of which was determined at January 3, 2023.

Majority voting

Under the *Canada Business Corporations Act* ("**CBCA**"), a corporation is subject to majority voting requirements in an election where the number of nominees equals the number of positions to be elected (an uncontested election):

- shareholders may vote for or against a director;
- if a nominee does not receive more votes for than against, the nominee is not elected as a director and that position on the board remains vacant;
- except in prescribed circumstances, an unsuccessful candidate may not be appointed to fill that or any other vacancy on the Board until the next meeting of shareholders at which an election of directors is required.

As Bombardier is governed by and subject to the CBCA, we will comply with the majority voting requirements under the CBCA for the election of directors at the Meeting.

Non-binding advisory vote on Bombardier's approach to executive compensation

Our approach regarding executive compensation is to maximize our overall performance through the individual performance of our 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.

Our executive compensation policy focuses on total compensation: base salary, short-term incentives, long-term incentives, pension, benefits and perquisites. Our 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 to Bombardier in terms of size and complexity in the relevant markets.

We are pleased to once again offer to our shareholders the opportunity to express their views on our approach to executive compensation. The Board of Directors recommends that shareholders indicate their support to the Corporation's approach to executive compensation disclosed in Section 5 "Executive Compensation Discussion and Analysis" of this Circular, by voting **FOR** the following advisory resolution:

"RESOLVED, on an advisory basis and not to diminish the role and responsibilities of the Board of Directors, that the shareholders accept the approach to executive compensation disclosed in the Management Proxy Circular delivered in advance of the annual meeting of the shareholders held on April 27, 2023."

Since this is an advisory resolution, the results are not binding on the Board of Directors. However, the Board of Directors, upon the recommendation of the HRCC will take into account the results of the vote, as appropriate, along with comments it may have received from shareholders in the course of engaging with them when reviewing, in the future, executive compensation philosophy, policies, programs or arrangements.

If you have not specified how you want your Shares to be voted and if you have authorized the Named Proxyholder as your proxyholder, the Named Proxyholder will vote FOR the above non-binding, advisory resolution on executive compensation.

Shareholder proposals

Bombardier received two shareholder proposals this year from the Mouvement d'éducation et de défense des actionnaires ("**MÉDAC**"), a shareholder of the Corporation, having its principal office at 82 Sherbrooke Street West, Montréal, Québec, H2X 1X3, Canada. The proposals were submitted in French by MÉDAC and were translated into English by the Corporation.

The full text of the two proposals received from MÉDAC has been reproduced in Appendix "B" to this Circular, along with our responses. Further to discussions management held with MÉDAC, it was agreed that Proposal 2 would not be presented at the Meeting for voting purposes.



The Board of Directors recommends that shareholders vote AGAINST Proposal 1 for the reasons described in Appendix "B" of this Circular. If you have not specified how you want your Shares to be voted and if you have authorized the Named Proxyholder as your proxyholder, the Named Proxyholder will vote AGAINST such shareholder proposal.

Section 3: Remuneration and attendance record of the directors

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

With a view of providing market competitive compensation and aligning the interests of directors and shareholders, the CGNC reviews periodically 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 the Board of Directors' compensation against public companies in Canada and the United States that have international operations and are comparable to Bombardier in terms of size and complexity. The CGNC did not recommend any change to the amount or form of compensation for the financial year ended December 31, 2022

Please note the following that is relevant throughout this Section 3:

- on June 9 2022, the Corporation announced the consolidation of the issued and unissued Class A shares and of the issued and unissued Class B subordinate voting shares at a ratio of one post-consolidation share for every twenty-five pre-consolidation Class A shares or Class B subordinate voting shares, as applicable, effective on June 13, 2022 (the "**Share Consolidation**"). The number of, and the exercise price payable for (if applicable), any share-based awards or option-based awards of the directors that were outstanding as of the effective date of the Share Consolidation were adjusted proportionally to account for the Share Consolidation. For ease of understanding and comparison, all amounts and dollar values of share-based awards or option-based awards indicated in this Section 3 are shown on a post-Share Consolidation basis, even if the amount or dollar value is as at a date or time period prior to the June 13, 2022 effective date of the Share Consolidation; and
- the director Ji-Xun Foo served in that capacity for only part of the 2022 financial year, as he was first elected to the Board of Directors on May 5, 2022 and appointed as a member of the Audit Committee at the close of the Board of Directors meeting held on May 5, 2022.

The compensation received by the directors between January 1, 2022 and December 31, 2022 is disclosed in this Section 3 of this Circular. As explained in Section 5 of this Circular, the HRCC is responsible for reviewing, assessing and approving a total executive compensation policy and reviewing the design of equity-based plans for the executive officers. The compensation received by the named executive officers between January 1, 2022 and December 31, 2022 is disclosed in Section 5 of this Circular.

ATTENDANCE RECORD OF DIRECTORS DURING THE FINANCIAL YEAR ENDED DECEMBER 31, 2022

The following table sets forth the number of meetings of the Board of Directors and its committees held between January 1, 2022 and December 31, 2022, and the record of attendance at these meetings of the directors of the Corporation, all of whom are nominees for election to the Board of Directors for the ensuing year, other than August W. Henningsen who is not standing for re-election as he will have reached the age of retirement under the retirement age policy of the Board of Directors prior to the date of the Meeting. Pierre Beaudoin, the Chair of the Board of Directors, and Éric Martel, the President and Chief Executive Officer, were not members of any of the committees of the Board of Directors, as neither are considered to be independent directors of Bombardier; however, they were entitled to attend and participate in all quarterly scheduled committee meetings and other special committee meetings, as appropriate, (with the exception of *in camera* meetings or *in camera* portions of meetings), but without voting rights.

Individual Who Acted as Director During the Year 2022	Board of Directors	Audit Committee	Corporate Governance and Nominating Committee	Human Resources and Compensation Committee	Individual Attendance Rate
		Chair: Diane Giard	Chair: Douglas R. Oberhelman	Chair: Anthony R. Graham	
Pierre Beaudoin	6/6	8/8	4/4	4/4	100%
Éric Martel	6/6	8/8	4/4	4/4	100%
Joanne Bissonnette	6/6	–	–	–	100%
Charles Bombardier	6/6	–	–	–	100%
Diane Fontaine	6/6	–	–	–	100%
Ji-Xun Foo ⁽¹⁾	4/4	5/5			100%
Diane Giard	6/6	8/8	4/4	–	100%
Anthony R. Graham	6/6	8/8	4/4		100%
August W. Henningsen	6/6	8/8	–	–	100%
Douglas R. Oberhelman	6/6	–	4/4	4/4	100%
Melinda Rogers-Hixon	6/6	–	4/4	4/4	100%
Eric Sprunk	6/6	8/8	–	–	100%
Antony N. Tyler	6/6	–	4/4	4/4	100%
Overall Attendance Rate:	100%	100%	100%	100%	–

(1) Ji-Xun Foo was first elected to the Board of Directors on May 5, 2022 and appointed as a member of the Audit Committee at the close of the Board of Directors meeting held on May 5, 2022.

ELEMENTS OF COMPENSATION DURING THE FINANCIAL YEAR ENDED DECEMBER 31, 2022

The following table illustrates the elements of compensation to which the directors were entitled, with the exception of the President and Chief Executive Officer, who received no compensation for serving as a director of the Corporation.

Type of Fees	(\$)
Board Retainers	
Chair of the Board of Directors	400,000
Directors (other than the Chair 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.

Pierre Beaudoin, Chair 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 Mr. 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. Mr. Beaudoin has served in a variety of key roles at Bombardier over the past 30-plus years (including as 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" hereinafter for details on the allocation of compensation earned during the financial year ended December 31, 2022 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.

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, 2022, with the exception of the 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 is disclosed in Section 5 of this Circular.

Director	Total Fees Earned ⁽¹⁾ (\$)	All Other Compensation (\$)	Total Compensation (\$)
Pierre Beaudoin	400,000	316,377 ⁽²⁾	716,377
Joanne Bissonnette	160,000	–	160,000
Charles Bombardier	160,000	–	160,000
Diane Fontaine	160,000	–	160,000
Ji-Xun Foo ⁽³⁾	128,750	–	128,750
Diane Giard	185,000	–	185,000
Anthony R. Graham	175,000	–	175,000
August W. Henningsen	170,000	–	170,000
Douglas R. Oberhelman	195,000	–	195,000
Melinda Rogers-Hixon	170,000	–	170,000
Eric Sprunk	170,000	–	170,000
Antony N. Tyler	172,500	–	172,500

- (1) Please refer to the table "Allocation of Compensation Earned during the Financial Year ended December 31, 2022" of this Circular for details on the allocation of compensation earned during the financial year ended December 31, 2022 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 \$35,500, which represents the aggregate costs to Bombardier for the car allowance of Mr. Beaudoin, including the actual car leasing costs, insurance, parking, and other vehicle operation costs, (ii) the sum of \$27,900, 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 \$38,477, which amount represents the equivalent of the aggregate incremental operating costs to Bombardier for the personal use of 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 0.7691 during the year ended December 31, 2022.
- (3) Ji-Xun Foo was first elected to the Board of Directors on May 5, 2022 and appointed as a member of the Audit Committee at the close of the Board of Directors meeting held on May 5, 2022.

In addition to the annual compensation shown in the Summary Compensation Table above, the Chair of the Board of Directors received the following pension benefits during the financial year ended December 31, 2022, 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 an 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, 2022, and relevant details can be found in previous years' management proxy circulars of Bombardier.

Director	Pension Benefits ⁽¹⁾ (\$)
Pierre Beaudoin	843,400

(1) All amounts paid were converted from Canadian dollars to US dollars based on an average exchange rate of 0.7691 during the year ended December 31, 2022.

ALLOCATION OF COMPENSATION EARNED DURING THE FINANCIAL YEAR ENDED DECEMBER 31, 2022

The following table shows the allocation of compensation earned during the financial year ended December 31, 2022 by the directors of the Corporation entitled to receive it.

Director	Annual Fees				Travel Fees	Total	Allocation of Compensation		
	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	3,488
Charles Bombardier	160,000	–	–	160,000	–	160,000	–	160,000	6,976
Diane Fontaine	160,000	–	–	160,000	–	160,000	–	160,000	6,976
Ji-Xun Foo ⁽²⁾	120,000	–	3,750	123,750	5,000	128,750	8,750	120,000	5,614
Diane Giard ⁽⁵⁾	160,000	–	25,000	185,000	–	185,000	–	185,000	8,067
Anthony R. Graham ⁽⁵⁾	160,000	–	15,000	175,000	–	175,000	–	175,000	7,630
August W. Henningsen ⁽²⁾	160,000	–	5,000	165,000	5,000	170,000	90,000	80,000	3,488
Douglas R. Oberhelman ⁽²⁾⁽⁴⁾	160,000	15,000	15,000	190,000	5,000	195,000	115,000	80,000	3,488
Melinda Rogers-Hixon	160,000	–	10,000	170,000	–	170,000	–	170,000	7,412
Eric Sprunk ⁽²⁾	160,000	–	5,000	165,000	5,000	170,000	10,000	160,000	6,976
Antony N. Tyler ⁽²⁾	160,000	–	10,000	170,000	2,500	172,500	92,500	80,000	3,488

(1) The full amount of the Board retainer was credited in DDSUs to every director, except for (i) Pierre Beaudoin, (ii) Joanne Bissonnette, (iii) August W. Henningsen, (iv) Douglas R. Oberhelman, (v) 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 3, 2023 in payment of the applicable portion of the Board retainer and, if applicable, additional retainer and travel fees earned for the quarter ended December 31, 2022.

(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.

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 holdings.

Each director (other than the Chair of the Board of the Directors 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 \$295,256 based on an exchange rate of 0.7381 as of December 31, 2022 and to \$313,960 based on an exchange rate of 0.7849 as of December 31, 2021) throughout their tenure as a director.

To encourage directors (other than the Chair of the Board of Directors and directors who are also executive officers of the Corporation) 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 them 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 and travel fees in cash, and once the holding requirement has been met, 50% of their Board retainer in cash and 50% in DDSUs. Please see “Director Deferred Stock Unit Plan” below for further details on DDSUs.

Pursuant to our 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 price 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 of Bombardier, 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 dividends paid on the Class B subordinate voting shares, if any. The DDSU Plan is not dilutive.

STOCK OPTIONS AND DEFERRED SHARE UNITS

Please refer to Appendix “C” (Stock Options and Deferred Share Units) for relevant details on stock options (“**Options**”) and deferred share units (“**DSUs**”), the 1986 Stock Option Plan, as amended (the “**Stock Option Plan**”), the Deferred Share Unit Plan (the “**DSU Plan**”) and the 2010 Deferred Share Unit Plan (the “**2010 DSUP**”).

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 the President and Chief Executive Officer (in his case, please refer to the information disclosed in Section 5 of this Circular).

Director	Financial years 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⁾	2022	20,514	38,109	2,271,668	–	–	58,623	2,271,668	yes
	2021	20,514	38,109	1,952,681	–	–	58,623	1,952,681	
	Net change	–	–	318,987	–	–	–	318,987	
Joanne Bissonnette	2022	–	232	8,951	25,644	989,358	25,876	998,309	yes ⁽⁴⁾
	2021	–	232	7,648	22,156	730,390	22,388	738,038	
	Net change	–	–	1,303	3,488	258,968	3,488	260,271	
Charles Bombardier	2022	–	–	–	20,667	797,343	20,667	797,343	yes ⁽⁷⁾
	2021	–	16	527	13,691	575,022	13,707	575,549	
	Net change	–	(16)	(527)	6,976	222,321	6,960	221,794	
Ji-Xun Foo	2022	–	–	–	5,614	216,591	216,603	216,603	no ⁽⁹⁾
	2021	–	–	–	–	–	–	–	
	Net change	–	–	–	5,614	216,603	216,603	216,603	
Diane Fontaine	2022	–	–	–	20,667	797,343	20,667	797,343	yes ⁽⁷⁾
	2021	–	–	–	13,691	451,335	13,691	451,335	
	Net change	–	–	–	6,976	346,008	6,976	346,008	
Diane Giard	2022	–	–	–	28,114	1,084,652	28,114	1,084,652	yes ⁽⁷⁾
	2021	–	–	–	20,047	660,865	20,047	660,865	
	Net change	–	–	–	8,067	423,787	8,067	423,787	
Anthony R. Graham	2022	–	–	–	22,247	858,300	22,247	858,300	yes ⁽⁷⁾
	2021	–	–	–	14,617	481,861	14,617	481,861	
	Net change	–	–	–	7,630	376,439	7,630	376,439	
August W. Henningsen	2022	–	1,060	40,897	18,031	695,645	19,091	736,542	yes ⁽⁵⁾
	2021	–	1,060	34,943	14,543	479,421	15,603	514,364	
	Net change	–	–	5,954	3,488	216,224	3,488	222,178	
Douglas R. Oberhelman	2022	–	4,000	154,330	16,443	634,379	20,443	788,709	yes ⁽⁶⁾
	2021	–	4,000	131,863	12,955	427,072	16,955	558,935	
	Net change	–	–	22,467	3,488	207,307	3,488	229,774	
Melinda Rogers-Hixon	2022	–	–	–	11,360	438,274	11,360	438,274	yes ⁽⁸⁾
	2021	–	–	–	3,948	130,149	3,948	130,149	
	Net change	–	–	–	7,412	308,125	7,412	308,125	
Eric Sprunk	2022	–	–	–	10,786	416,129	10,786	416,129	yes ⁽⁸⁾
	2021	–	–	–	3,810	125,600	3,810	125,600	
	Net change	–	–	–	6,976	290,529	6,976	290,529	
Antony N. Tyler	2022	–	–	–	14,638	564,741	14,638	564,741	yes ⁽⁶⁾
	2021	–	–	–	11,150	367,569	11,150	367,569	
	Net change	–	–	–	3,488	197,172	3,488	197,172	

- (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, 2022 and December 31, 2021 is determined as at December 31, 2022 and as at December 31, 2021, 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, 2022, the number of which was determined at January 3, 2023.
- (2) The total value for the financial year ended December 31, 2022 is calculated on the basis of the December 31, 2022 closing prices of the Class A shares and the Class B subordinate voting shares of CDN \$52.92 and CDN \$52.27, respectively, converted from Canadian dollars to US dollars based on an exchange rate of 0.7381. 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 shares and the Class B subordinate voting shares of CDN \$1.73 and CDN \$1.68 (CDN \$43.25 and CDN \$42.00 on a post-consolidated basis) 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, 2022 the numbers of Options, Performance Share Units (“PSUs”) and 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” hereinafter 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.
(7) This director reached the minimum threshold under the DDSU Plan in 2021.
(8) This director reached the minimum threshold under the DDSU Plan in 2022.
(9) Ji-Xun Foo was elected to the Board of Directors on May 5, 2022.

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

Name	Grant Date	Option-Based Awards			Share-Based Awards			
		Number of Securities Underlying Unexercised Options at Financial Year-End	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 12, 2016 ⁽¹⁾	55,114	36.35	August 12, 2023	122,900	–	–	1,347,000

- (1) Pierre Beaudoin has not received any Options since August 12, 2016.
(2) The exercise price of the 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 0.7381 as of December 31, 2022.
(3) The value of unexercised in-the-money Options as of December 31, 2022 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 \$52.27 and an exchange rate from Canadian dollars to US dollars of 0.7381 as of December 31, 2022.

Please refer to the heading “Compensation Elements - Long-Term Incentive Plans” in Section 5 of this Circular for details on PSUs and to Appendix “C” (Stock Options and Deferred Share Units) for relevant details on Options and DSUs.

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, 2022	Market Value of Vested DSUs as of December 31, 2022 ⁽²⁾ (\$)	
Pierre Beaudoin	34,915	–	34,915	1,347,000

- (1) No additional DSUs were credited nor vested during the financial year ended December 31, 2022 and no cash dividends were paid on the Class B subordinate voting shares during the period from January 1, 2022 to December 31, 2022.
(2) Based on the closing price of the Class B subordinate voting shares on December 31, 2022 of CDN \$52.27 and converted from Canadian dollars to US dollars based on an exchange rate of 0.7381 as of December 31, 2022.

Please refer to Appendix “C” (Stock Options and 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, 2020, 2021 and 2022.

INCENTIVE PLAN AWARDS FOR PIERRE BEAUDOIN - VALUE REALIZED ON EXERCISE AND VALUE VESTED OR EARNED DURING THE FINANCIAL YEAR ENDED DECEMBER 31, 2022

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 2022, no Options were exercised by Pierre Beaudoin.
(2) The value is determined assuming the 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 Options held by Pierre Beaudoin had fully vested prior to January 2022, no value vested during the year.
(3) All share-based awards previously granted to Pierre Beaudoin were vested prior to January 2022, no value vested during the year ended December 31, 2022.
(4) As non-executive Chair 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.

Section 4: Corporate governance

We believe that strong corporate governance is linked to sound corporate performance, which translates into sustained profitability and, therefore, enhances shareholder value. We continually seek to strengthen our corporate governance practices by monitoring the introduction of new regulatory requirements and the evolution of best practices in order to be able to adjust our policies and practices accordingly, but always in consideration of our own specific circumstances.

Composition of the Board of Directors

As of the date of this Circular, the Board of Directors is composed of 13 directors. Detailed information on each of the 12 current directors proposed to be re-elected at the Meeting and their respective attendance records at Board of Directors and Committee meetings in 2022 is found in Section 2 of this Circular. One current director, August W. Henningsen, will have reached the age of retirement under the retirement age policy of the Board of Directors prior to the date of the Meeting, and is therefore not standing for re-election. The Board of Directors is proposing one new nominee, Rose Damen, to be elected as a new director of the Corporation. Information on Ms. Damen can also be found in Section 2 of this Circular.

Director independence

Our governance practices are that a majority of our directors be independent, within the meaning of National Instrument 52-110 *Audit Committees* ("**NI 52-110**") adopted by the Canadian Securities Administrators. This means that they must be and remain free from any direct or indirect material relationship with the Corporation, its management or its external auditor that could be reasonably expected to interfere with the exercise of their independent judgement.

We believe we have adequate structures and processes to allow the Board of Directors to function independently of management. A director is expected to immediately disclose a potential conflict of interest to the Board of Directors, and to comply with the policies of the Corporation and applicable laws with respect to conflicts of interest. See the subsection entitled "Conflict of Interest" hereinafter in this Section 4 for more information.

Eight of our thirteen current directors are independent. To ensure that the Board of Directors functions independently, it is the practice for the independent directors to meet *in camera* for a portion of each meeting of the Board of Directors or its Committees. Eight of the nominees for election as a director at the Meeting are independent (as shown in the table herein after), in that each has no direct or indirect material relationship with the Corporation and, in the reasonable opinion of the Board of Directors, is independent under the applicable laws, regulations and listing requirement to which the Corporation is subject.

The Board of Directors has concluded that having an independent Lead Director, currently Douglas R. Oberhelman, helps ensure that the Board of Directors is able to act independently of management in an effective manner. The Lead Director chairs the *in camera* meetings, or the *in camera* portions of meetings, of the Board of Directors comprising only independent directors of Bombardier.

Between January 1, 2022 and December 31, 2022, the independent directors held meetings privately during the year, including one after each of the regularly scheduled quarterly meeting of the Board of Directors and its Committees.

Director	Management	Independent?	
		Yes	No
Pierre Beaudoin	Chair of the Board of Directors	(1)	Son of Claire Bombardier Beaudoin and of Laurent Beaudoin, former director and Chairman Emeritus of the Board of Directors. Claire Bombardier Beaudoin, either individually or jointly with Laurent Beaudoin, through holding corporations which she controls or which they jointly control, as applicable, 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.
		(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, Chair of the Board of Directors, of Joanne Bissonnette and of Diane Fontaine.
Rose Damen			✓

Director	Management	Independent?	
		Yes	No
Diane Fontaine		(1) Daughter of Huguette Bombardier Fontaine and of Jean-Louis Fontaine, former director and Vice Chairman of the Board of Directors. Huguette Bombardier Fontaine, 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.	
		(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		✓	
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.

Structure and mandate of the Board of Directors

The Board of Directors has three standing committees, the CGNC, the Audit Committee and the HRCC, to help it fulfill its duties and responsibilities and ensure proper oversight of the business and affairs of the Corporation. The key responsibilities of the Board of Directors and each of its Committee are described hereinafter in this Section 4. Each Committee is composed entirely of independent directors.

Each standing Committee operates according to its charter, which sets out the Committee's duties and responsibilities. The Board of Directors and each Committee, with the support of the CGNC, undertakes an annual review of its mandate or charter, and proposes any amendments to the mandate and charter for consideration and approval. The mandate of the Board of Directors and the charters of the Committees can be found on the Corporation's website at bombardier.com/en/who-we-are/our-governance. The mandate of Board of Directors is also reproduced at Appendix "A" to this Circular.

Responsibilities of the Board of Directors

STEWARDSHIP OF BOMBARDIER

In accordance with the CBCA and as stated in its mandate, the role of our 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.

Our 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 and the mandate of the Board of Directors and the charters of its three Committees. It also acts in accordance with the Corporation's 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 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 the other senior executive officers, reviews the strategic orientation, operating plans and budgets of Bombardier for the review and approval of the 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 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 an appropriate business plan, which reflects the implementation of the strategic plan for the coming year, and reviews it on a quarterly basis.

RISK OVERSIGHT

For the Board of Directors, risk oversight is an essential component of its stewardship responsibilities of the Corporation and its duty of care as directors under corporate law. The Board of Directors monitors the principal risks of the Corporation's business and ensures that appropriate systems are in place to effectively monitor and manage these risks. The Board of Directors' three standing Committees assist it in fulfilling its responsibilities.

Board of Directors	Audit Committee	Human Resources and Compensation Committee	Corporate Governance and Nominating Committee
Overall stewardship and oversight responsibility for: <ul style="list-style-type: none"> • Bombardier's strategic plan • financial matters and internal controls • pension fund matters • environmental matters • occupational health and safety matters • CEO and senior executive succession planning • proper governance of Bombardier 	Supports the Board by overseeing: <ul style="list-style-type: none"> • financial statements and disclosure • the independent auditor, internal audit, and related policies and legal requirements • risk assessment processes • disclosure policies and communications with the investing public • pension fund investment policies, practices and liabilities • monitoring environmental policies and practices and overseeing compliance with legal requirements 	Supports the Board by overseeing: <ul style="list-style-type: none"> • occupational health and safety policies and practices, and compliance with legal requirements • CEO and other senior officers' succession, their performance and ensuring their compensation is tied to Bombardier's performance • processes to attract, motivate and retain qualified executives to meet our objectives 	Supports the Board by overseeing: <ul style="list-style-type: none"> • Board and Committee composition, effectiveness and succession • non-executive director remuneration • governance policies and practices of the Board and its Committees • ethical business practices of the Corporation, its directors, officers and employees

COMMITTEES OF THE BOARD OF DIRECTORS

The composition, frequency of meeting, mandate and responsibilities of each Committee are summarized hereinafter. All Committee members are composed solely of independent directors. Pierre Beaudoin, the Chair of the Board of Directors, and Éric Martel, the President and Chief Executive Officer, were not members of any of the Committees, as neither are considered to be independent of Bombardier; however, they were entitled to attend and participate in all quarterly scheduled Committee meetings and other special Committee meetings, as appropriate, (with the exception of *in camera* meetings or *in camera* portions of meetings), but without voting rights.

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE

NAMES

100% independent and met four times in 2022

Douglas R. Oberhelman (Chair)
Diane Giard
Melinda Rogers-Hixon
Antony N. Tyler

All four members of the CGNC have experience in corporate governance matters gained through their current or previous roles as executive officers and through their participation on other boards. Please refer to “Election of Directors of Bombardier” in Section 2 and to the Skills Matrix hereinafter for more information on the skills and experience of the CGNC members.

The CGNC assists the Board of Directors in fulfilling its oversight responsibility by monitoring the composition of the Board of Directors and its Committees, and monitoring corporate governance.

Some of the key responsibilities of the CGNC are to (please see the Committee’s charter, available at [bombardier.com/en/who-we-are/our-governance](https://www.bombardier.com/en/who-we-are/our-governance), for full details):

- monitor the size, independence and composition of the Board of Directors and its Committees to ensure effective decision-making, including the competencies, skills, personal attributes and diversity (gender and other characteristics), and recommending director nominees for the annual meeting of shareholders;
- oversee the process for assessing the effectiveness of our Board of Directors as a whole, each Committee and the contribution of each director;
- recommend director share (or similar equity) ownership guidelines, and remuneration of non-executive directors;
- oversee director development programs, including orientation and continuing education;
- oversee environment, social and governance (“**ESG**”) matters, including our annual ESG Report, in conjunction with the Audit Committee’s responsibilities regarding ESG-related metrics; and
- review our corporate governance policies and practices, including our Code of Ethics, and recommend any new principles or best practices to the Board of Directors

As a general practice, the Chair 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.

HUMAN RESOURCES AND COMPENSATION COMMITTEE NAMES

100% Independent and met four times in 2022.

Anthony R. Graham (Chair)
Douglas R. Oberhelman
Melinda Roger-Hixon
Antony N. Tyler

All four members of the HRCC have the skills and experience, based on past professional experience and directorships, to enable the HRCC to provide appropriate oversight of human resources functions and the Corporation's compensation programs and practices, and to make decisions regarding executive compensation. None of the HRCC members during the financial year ended December 31, 2022 was an active chief executive officer with a publicly-traded entity. Please refer to "Election of Directors of Bombardier" in Section 2 and to the Skills Matrix hereinafter for more information on the skills and experience of the members of the Committee.

The HRCC supports the Board of Directors' supervision of human resources and compensation matters and procedures.

Some of the key responsibilities of the HRCC are to oversee (please see the Committee's charter, available at [bombardier.com/en/who-we-are/our-governance](https://www.bombardier.com/en/who-we-are/our-governance), for full details):

- CEO and executive officer appointments, succession planning, and leadership development;
- total senior executive compensation policies, and executive share ownership guidelines;
- the CEO's total compensation;
- the CEO's objectives and performance assessment against those objectives;
- the CEO's performance assessment of the other senior executives and compensation recommendations;
- compensation governance to ensure the Corporation is able to attract, motivate and retained qualified personnel in order to meet Bombardier's business objectives;
- incentive compensation and equity-based plans and bonus payouts;
- our executive compensation disclosure;
- occupational health and safety matters;
- adequacy of policies and procedures regarding social issues, including employment equity, harassment and discrimination, and compliance therewith; and
- workplace diversity, and monitoring progress towards diversity goals and targets.

As a general practice, the Chair 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.

For more information about the HRCC and executive compensation governance, see Section 5 of this Circular.

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, 2022 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, 2022, 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 the management consultant firm, 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 2022 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, 2022 and December 31, 2021.

Mandates and Fees	Financial Year Ended December 31, 2022 (\$)	Financial Year Ended December 31, 2021 (\$)
	Meridian	
Executive Compensation Related Fees	28,600 ⁽¹⁾	18,400 ⁽¹⁾
All Other Fees	—	—
Total Fees	28,600 ⁽¹⁾	18,400 ⁽¹⁾

(1) Fees were converted from Canadian dollars to US dollars based on an average exchange rate of 0.7691 during the year ended December 31, 2022 and on an average exchange rate of 0.7977 during the year ended December 31, 2021.

AUDIT COMMITTEE

NAMES

100% Independent and met eight times in 2022

Diane Giard (Chair)
 Ji-Xun Foo
 Anthony R. Graham
 August W. Henningsen
 Eric Sprunk

All five members of the Audit Committee have experience reviewing financial statements and dealing with related accounting and auditing matters. Each member is financially literate within the meaning of NI 52-110. This means each member is able to read and understand a set of financial statements that are similar in the breadth and level of complexity of accounting issues that can reasonably be expected to be raised by the Corporation's financial statements. Please refer to "Election of Directors of Bombardier" in Section 2 and to the Skills Matrix hereinafter for more information on the skills and experience of the members of the Audit Committee.

The Audit Committee assists the Board in fulfilling its obligations for overseeing financial reporting and audit matters, as well as monitoring risk management matters, of the Corporation.

Some of the key responsibilities of the Audit Committee are to (please see the Committee's charter, available at bombardier.com/en/who-we-are/our-governance, for full details):

- oversee the integrity of our financial statements and financial reporting process, including the Corporate Audit Services and Risk Assessment, and financing activities of the Corporation;
- oversee the qualifications and independence of our external auditors, and the work of our financial management team and external auditors;
- provide an open avenue of communication between the external auditors and the Board of Directors;
- ensure that an appropriate system of internal accounting and financial controls, and appropriate risk management frameworks, are maintained in view the risks and exposures facing the Corporation;
- monitor risks related to financing activities of the Corporation and retirement plan fund management; and
- oversee risks related to environmental matters, and ensuring adequate procedures are in place for any ESG-related metrics that are disclosed in Bombardier's ESG Report or otherwise.

The Audit Committee regularly monitors the adequacy and effectiveness of the disclosure controls and systems of internal control of the Corporation through the reports provided by management or Ernst & Young, as the case may be.

The Audit Committee performs an annual assessment process to assist in making its recommendation to the Board of Directors in relation to the appointment of the Corporation's external auditors, Ernst & Young. The Board of Directors approved the recommendation of the Audit Committee to recommend to shareholders the re-appointment of Ernst & Young as Bombardier's external auditors for the ensuing year.

As a general practice, all meetings of the Audit Committee are attended by the Chair of the Board of Directors and the President and Chief Executive Officer, as well as the Executive Vice President and Chief Financial Officer, the Vice President Controller and Chief Accounting Officer and the Director Internal Audit, and by representatives of Ernst & Young. They do not have the right to vote on any matter before the Audit Committee. 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 Director Internal Audit, and the independent auditors to discuss various topics of interest.

You can find more information about the Audit Committee in our 2022 Annual Information Form under the section entitled "Audit Committee Disclosure", which is available on our website bombardier.com/en/investors/financial-reports and on SEDAR (www.sedar.com).

External auditor services and fees

The Audit Committee has policies and procedures for the pre-approval of engagement for services of our external auditor, Ernst & Young, which require pre-approval of all audit and non-audit services provided by the external auditor. The Audit Committee approves the annual audit plan of Ernst & Young, and any amendments thereto, and the fees payable for the external audit. The table below shows the fees for services that Ernst & Young billed Bombardier for each of the financial years ended December 31, 2022 and 2021:

Fees	Fiscal Year Ended December 31, 2022	Fiscal Year Ended December 31, 2021
Audit fees	\$2,645,000	\$2,894,000
Audit related fees	\$ 780,000	\$ 644,000
Tax fees	\$1,178,000	\$2,501,000
All other fees	\$ 380,000	\$ –
Total Fees	\$4,983,000	\$6,039,000

In the table above, the terms in the column “Fees” have the following meanings: “Audit fees” refers to all fees incurred with respect to audit services, being the professional services rendered by the Corporation’s independent auditors for the audit of its consolidated annual financial statements and those of its subsidiaries and the review of the Corporation’s quarterly consolidated financial statements as well as services normally provided by the Corporation’s independent auditors in connection with statutory and regulatory filings and engagements; “Audit-related fees” refers to the aggregate fees billed for assurance and related services by the Corporation’s independent auditors that are reasonably related to the performance of the audit or review of its consolidated financial statements and are not reported under “Audit fees” including audits of the Corporation’s employee benefit plans and other attest services, as well as due diligence and other related services; “Tax fees” refers to the aggregate fees billed for professional services rendered by the Corporation’s independent auditors for tax compliance, expatriate and global mobility compliance services, tax advice and tax planning, including the preparation or review of tax returns, transfer pricing documentation and assistance with tax audits, rendered to the Corporation and its many subsidiaries around the world; and “All other fees” refers to the aggregate fees billed for products and services provided by the Corporation’s independent auditors, other than “Audit fees”, “Audit-related fees” and “Tax fees”. The Audit Committee has considered whether the provision of services other than audit services is compatible with maintaining the independence of the Corporation’s independent auditors. The Audit Committee has adopted a policy that prohibits the Corporation from engaging its independent auditors for “prohibited” categories of non-audit services and requires pre-approval by such Committee of audit services and other services within certain permissible categories of non-audit services.

Internal controls

The Board of Directors, through the Audit Committee, is responsible for overseeing our internal controls, including controls over accounting and financial reporting systems. Management is responsible for establishing and maintaining an adequate system of internal control over financial reporting to provide reasonable assurance that public reporting of our financial information is reliable and accurate, our transactions are appropriately accounted for, and our assets are adequately safeguarded. The Director Internal Audit reports at least quarterly to the Audit Committee on the results of the work of the Corporate Audit Services and the Risk Assessment function of the Corporation.

Disclosure policy and communications

The objective of the Corporation’s 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 for monitoring this policy and recommending any changes to the Board of Directors, as appropriate.

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, and any press releases containing financial results or earning guidance, prior to their public dissemination and/or filing on SEDAR.

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 2022, 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 (see the header "Shareholder engagement and other stakeholders" herein after in this Section 4 for more details).

Insider trading and blackout periods policy

Our Disclosure Policy governs how our directors, officers, employees, consultants and other insiders may trade, or are prohibited from trading, in Bombardier securities, particularly in the context of when an individual may have non-public material information about the Corporation and its business. Directors, executive officers and other insiders are required by the Policy to fulfil and abide by all insider reporting requirements under applicable securities law. The Policy establishes quarterly blackout periods when our financial statements are being prepared but are not yet public, prohibiting Directors, senior officers, and select other employees or consultants who may have knowledge of or access to material financial information from trading in Bombardier securities. Special blackout periods may also be prescribed from time-to-time, as a result of special circumstances, pursuant to which certain officers, employees, consultants and insiders are precluded from trading in Bombardier securities.

Leadership structure

The Board of Directors reviews and considers 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 Chair of the Board of Directors. Maintaining separate positions for these two roles allows the Board of Directors to be more efficient and objective 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 Chair of the Board is not an independent director. Our current Lead Director, Douglas R. Oberhelman, chairs each *in camera* meeting of the Board of Directors with the other independent directors, and conveys to the Chair of the Board of Directors, and/or the President and Chief Executive Officer, as the case may be, any comments, questions or suggestions raised during such meetings.

Role and responsibilities of the Chair of the Board of Directors and the President and Chief Executive Officer

The mandate of the Chair of the Board of Directors provides that Pierre Beaudoin is responsible for ensuring that the Board of Directors carries out its responsibilities effectively and clearly, notably in supervising the management of the Corporation's business and affairs. His specific responsibilities include providing leadership to enhance the Board of Directors' effectiveness and ensuring that it works as a cohesive team, and representing the Corporation in certain customer relations and conferences. He is also responsible for ensuring the quality and continuity of the Board of Directors by reviewing its performance and that of its Committees and individual directors, making sure the skills and competencies of individual directors are incremental to the Board of Directors as a whole.

Éric Martel, our President and Chief Executive Officer, together with our management team, directs the day-to-day operations of the Corporation in a manner consistent with the strategic and business plans, operating plans and budgets approved by the Board of Directors. As such, Mr. Martel makes recommendations to the Board of Directors on matters of corporate strategy and policy. He also is principally responsible for managing Bombardier's commercial and internal affairs, and for representing Bombardier to the public, external stakeholders and other groups. Each year, the HRCC assesses the performance of Mr. Martel in achieving the objectives and goals of the operating plans and budgets, and makes recommendations to the Board of Directors in relation to his compensation.

Committee chairs

The Chair of each Committee of the Board of Directors is responsible for leading the work of the Committee and, as such, for ensuring that it works cohesively and that it has adequate resources, and relevant and timely information, to support its work. The Chair also ensures that the timing, organization and procedures of Committee meetings allow sufficient time for serious consideration and discussion of relevant issues. The Chair presides the Committee's meetings and works with senior management in setting the agendas therefor. The Chair acts as a liaison with management in relation to the Committee's work, and provides a report at each subsequent meeting of the Board of Directors in relation to the Committee's deliberations, decisions and recommendations.

Skills matrix

The following chart summarizes the primary competencies that we believe are required to effectively oversee and manage the business of the Corporation. The lack of a check mark does not mean that the director nominee does not possess that qualification, skill or experience, but rather those with check marks represent the primary areas of expertise that the director brings to the Board of Directors.

	Pierre Beaudoin	Joanne Bissonnette	Charles Bombardier	Rose Damen	Diane Fontaine	Ji-Xun Foo	Diane Giard	Anthony R. Graham	Éric Martel	Doug R. Oberhelman	Melinda Rogers-Hixon	Eric Sprunk	Anthony N. Tyler
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	✓												✓

Senior executive/strategic growth leadership Experience as a Chair 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 defense 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.

Assessment of the Board

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 completes a comprehensive survey to assess the Board of Directors and each of its Committees. Topics include the key responsibilities, size, composition and effectiveness of the Board of Directors and of each of its Committees. In addition, directors who are member of a Committee, complete an assessment questionnaire that addresses more specifically the support, resources, and information that the Committee receives in order to carry out its responsibilities, as well as the size, composition and effectiveness of the Committee in fulfilling its mandate. A summary of the results of each assessment is submitted to the review of the CGNC and the Chair of the Board of Directors.

The CGNC periodically assesses, with the Chair 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 review, and if deemed appropriate, suggest modifications to their respective mandate or charter.

Retirement age policy and term limits

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 Chair of the Board of Directors and the CGNC. They then evaluate whether to accept this resignation depending on the needs of the Board 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.

While term limits can help ensure that the Board of Directors has a fresh perspective, the imposition of such a limit would deprive the Board of Directors of the contributions of longer-serving directors who have acquired a deeper knowledge and understanding of Bombardier over time. Rather than setting term limits for directors, Board renewal is considered in the context of determining the long-term needs of our Board of Directors. This is facilitated by an annual review and assessment of the performance of the Board of Directors and its Committees, and by balancing the depth of corporate memory with new perspectives and diversity. The Board of Directors does not believe that long tenure impairs a director’s ability to act independently of management.

Average tenure of the 13 nominees for election	Age limit	Term limit	Other mechanisms for Board renewal
5 years	72 years of age prior to the next annual shareholders meeting	None	Annual review and Board assessment process

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 the 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 are of the view that the size and composition of the Board, as well as the mix of talents, quality and skills of the 13 nominees for election as directors at the Meeting, are well suited to Bombardier’s current strategic and business needs, and allow for its efficient functioning as a decision-making body and to promote sound governance.

We use a skills matrix to assess the composition of the Board of Directors and identify gaps or emerging skills that may be important to the business. In consultation with the Chair of the Board of Directors, the CGNC determines appropriate selection criteria, including any additional skill sets deemed to be beneficial, when considering Board 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 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 and the Corporation, including the extent to which the current composition of the Board reflects a diverse mix of knowledge, experience, skills and backgrounds, including representation of women, (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, given the prevailing and projected circumstances for the Corporation. See also the discussion under the header “Diversity” hereinafter for additional details of diversity criteria and considerations with respect to director recruitment.

We engage external consultants, as needed, to identify director candidates from a broad and diverse pool, based on the criteria, including gender and diversity characteristics, skills, experience and other criteria, we are prioritizing at the time to guide the search process. Our Board Chair Pierre Beaudoin, in cooperation with the members of the CGNC, leads the process in identifying 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, a candidate is fully informed of the workload and time commitment requirements.

Our success in recruiting several highly qualified independent directors in recent years demonstrates the effectiveness of our Board renewal process. Our newest nominee for election as a director, Rose Damen, will contribute Board executive leadership and international business experience, financial literacy, as well as branding and customer experience, in particular within Europe, one of the key regions of the world for the sale of Bombardier jets and services.

Board interlocks

In order to strengthen the independence of its members, it is a policy of our Board of Directors that no more than two directors may serve together on the same board or committee of another publicly traded company, unless otherwise agreed to by the CGNC. As of the date of this Circular, there were two board interlocks among our directors:

Other public company	Bombardier Director	Committee member of the other public company
BRP Inc.	Pierre Beaudoin	Human Resources and Compensation Committee Nominating, Governance and Social Responsibility Committee
	Charles Bombardier	Investment and Risk Committee
Power Corporation of Canada	Pierre Beaudoin	Related Party and Conduct Review Committee
	Anthony R. Graham	Human Resources Committee (Chair) Governance and Nominating Committee

Overboarding

In order to ensure they are able to devote the time and effort necessary to be effective members, it is a policy of the Board of Directors that: (a) Directors who are a full-time CEO or other senior officer of a publicly traded company should not serve on the board of more than one other public company in addition to Bombardier's Board; (b) Bombardier's CEO should not serve on the board of more than one other public company in addition to Bombardier's Board, and should not serve on the board of any other publicly traded company where the CEO of that other company serves on Bombardier's Board; and (c) directors who (i) have full-time employment with non-public companies, (ii) have full-time employment with public companies but not as CEO or in a senior executive position, or (iii) do not have full-time employment, should not serve on the boards of more than four publicly traded companies in addition to Bombardier's Board. As at the date of this Circular, our Chief Executive Officer Éric Martel does not serve on the board of any other publicly traded company. Please see "Election of the Directors of Bombardier" in Section 2 hereof, for more information on the current directorships of our nominees for election as directors.

Orientation and continuing education programs

The CGNC is responsible for overseeing Bombardier's director orientation and continuing education programs:

- **Orientation programs for new directors:** We have an orientation program for new directors, which allows them to participate in several meeting sessions with our Executive Leadership Team to learn about, among other matters, the Corporation's strategic plan and current priorities, the business units and their operations, the Corporation's financial condition and financial statement processes and controls, and the governance, mandates and roles of our Board and its Committees. New directors are also given tours of our operating facilities in the Montreal area.

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

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

- **Continuing education program for directors:** Visits of our various facilities are also arranged, from time to time, for our Board of Directors, and individual visits may also be done upon request to further acquaint directors with the Corporation's operations and to foster engagement with local employees and other stakeholders.

Management or external speakers regularly give presentations during the meetings of the Board of Directors and its Committees, or as stand-alone sessions, to the directors on critical aspects of our business and developments, including

market, political and regulatory trends impacting our industry. As an example, during 2022, members of the Board of Directors received presentations on the competitive landscape and markets for private aircraft fleets. Management also regularly updates the Board of Directors and its Committees with respect to new requirements or emerging best practices in governance, disclosure and ESG matters.

We also encourage our 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. Directors can also enhance their skills and knowledge by attending external seminars and conferences.

Conflict of interests

To enable directors and officers to exercise independent judgment in considering a particular transaction or agreement in which a director or officer has a material interest, the following principles apply: (i) the director or executive is required to disclose to the Board of Directors any potential conflict of interest he or she may have in relation to a particular transaction or agreement before it is brought to the Board of Directors’s attention for discussion and/or decision; and (ii) he or she will then be required, depending on the transaction or agreement in question, either to leave the meeting while the Board members are considering the particular transaction or agreement, or, while remaining present during the meeting, to refrain from participating in any way in the discussion or decision or vote taken by the Board of Directors.

Diversity

The Board of Directors adopted a Policy Regarding Diversity in January 2015, and amended it in February 2020. This Policy sets out the Corporation’s approach to achieving and maintaining diversity, including gender and other designated groups, on its Board of Directors and in management positions. We believe that diversity promotes the inclusion of different perspectives and ideas, mitigates groupthink and improves oversight, decision-making and governance. Diversity on the Board of the Directors and in management positions also demonstrates the Corporation’s commitment to diversity at all levels of the Corporation.

The CGNC is responsible for annually assessing the effectiveness of the Board of Directors nomination process in meeting the Corporation’s diversity objectives and measuring annual and cumulative progress in achieving its diversity and gender goals, as well as monitoring the implementation of this Policy at the Board level.

BOARD OF DIRECTORS COMPOSITION

When assessing the composition of the Board of Directors or identifying suitable candidates for appointment or re-election to the Board, the CGNC, composed entirely of independent directors, considers candidates based on objective criteria that seek to achieve a diversity of skills, personal qualities, geographical representation, business background, cultural background, diverse experience, global expertise, financial literacy and independence, taking into account Bombardier’s changing circumstances and strategic needs, and having due regard to the benefits of diversity. To accomplish this, the CGNC seeks qualified candidates from beyond the networks of existing Board members and may retain an executive search firm to help meet the Board’s diversity objectives. In particular, the Committee:

- 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 recruitment and selection criteria to ensure that diversity remains a component of any search; and
- supports the specific objective of diversity, and considers the level of representation of women and members of other designated groups for Board positions when nominating candidates for election or re-election to the Board.

The Corporation aspires to maintain a Board composition in which women represent at least 30% of all directors. As detailed under “Election of Directors of Bombardier” in Section 2 of this Circular, five of our thirteen nominees for election to our Board are women. The table below shows the representation of women on our Board of Directors as at December 31, 2022 and 2023.

	2022	2023 ⁽¹⁾
Number of female directors	4/13	5/13
% of female directors	31%	38%

⁽¹⁾ If all nominees are elected at the Meeting

INDIGENOUS PEOPLES, PERSONS WITH DISABILITIES AND MEMBERS OF VISIBLE MINORITIES

The CGNC believes that the promotion of diversity is best served by a careful consideration of the full range of knowledge, experience, skills and backgrounds of each director candidate in light of the changing needs of the Board of Directors and alignment with the Corporation's strategy in the current environment, without focusing on specific diversity characteristics. Therefore, the CGNC has not set specific targets for the representation of members of Indigenous Peoples, persons with disabilities or members of visible minorities on our Board. We currently have one director who is a member of a visible minority as defined in the *Employment Equity Act* (Canada). We do not currently have representation on our Board of members of Indigenous Peoples or persons with disabilities.

MANAGEMENT DIVERSITY

Bombardier is a global company, with 15,900 employees representing 112 nationalities in 14 countries. It strives to create a diverse and inclusive culture everywhere it operates.

The Corporation supports a merit-based system for the appointment of key roles, operating in a diverse and inclusive culture which solicits multiple perspectives and aims to be free of biases and discrimination. The Corporation is committed to selecting the best candidates as members of management. The Board of Directors believes that diversity is important to provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management. Accordingly, and as above-mentioned, the Corporation has adopted a global Policy Regarding Diversity aimed at achieving and maintaining diversity on its Board of Directors, in executive officer positions and in management positions. In addition to gender, other designated groups as defined in Canadian laws are included, such as Indigenous Peoples, members of visible minorities and persons with disabilities. We will continue to strive for the appropriate balance of skills, experience, independence and knowledge of the Corporation and its industry and of our diversity strategy. This includes requirements for the Board of Directors to establish measurable diversity objectives and to measure progress, and for the HRCC to monitor the implementation of the policy and assess the effectiveness of the appointment process for executive officer and management positions at achieving Bombardier's diversity objectives.

MONITORING THE IMPLEMENTATION OF THE DIVERSITY POLICY

The CGNC and HRCC are responsible for monitoring the implementation and effectiveness of the Policy Regarding Diversity. 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 on the achievement of measurable diversity objectives. The CGNC and HRCC report their findings to the Board of Directors.

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.

APPOINTMENT PROCESS FOR EXECUTIVE OFFICERS

The HRCC, composed entirely of independent directors, has the mandate to oversee the succession planning for the President and Chief Executive Officer and selected senior executive positions, with the appointment and promotion of other members of management being delegated to management. In compliance with our Policy Regarding Diversity, 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 our 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.

DIVERSITY OBJECTIVES AND MEASURES

As of December 31, 2022 and as at the date of this Circular, we have two women in executive positions. In 2021, the Corporation released its ESG plan which includes Diversity and Inclusion as one of its eleven pillars. The plan presents goals, strategies and measures related to the increase of historically underrepresented groups across the organization. This includes our target of having 30% of management positions held by women by the end of 2025. The strategies aim to ensure that underrepresented groups are not disadvantaged in the Corporation's decisions, are well represented within the employee

population and have the support to progress in their careers. In September 2020, the President and Chief Executive Officer of Bombardier signed the BlackNorth Initiative CEO Pledge as part of Bombardier’s commitment to fight anti-Black racism in Canada. More information can be found in our annual ESG Report, which can be found on our website at www.bombardier.com/en/sustainability.html.

The table below shows the diversity measures of our Board of Directors and our executive team as of the date of this Circular:

Category	As of March 13, 2023		
	Objective	Number	Percentage
Women			
a. on the Board of Directors	30%	4	31%
b. in executive officer positions	30% by 2025	2	17%
Indigenous Peoples			
a. on the Board of Directors	–	–	–
b. in executive officer positions	–	–	–
Visible minorities			
a. on the Board of Directors	–	1	8%
b. in executive officer positions	–	–	–
Persons with disabilities			
a. on the Board of Directors	–	–	–
b. in executive officer positions	–	–	–

The CGNC and HRCC may revisit the suitability of adopting specific diversity targets beyond gender at the Board of Directors or executive officer levels to incorporate broader standards of diversity.

Finally, our commitment to diversity is further reflected in our Code of Ethics pursuant to which we 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 we do business.

CEO leadership and succession planning for executive officers

The Board of Directors, through the HRCC, is responsible for overseeing Bombardier’s leadership needs and ensuring that we have appropriate plans for an orderly succession of management. The Board of Directors and HRCC oversaw the succession planning and successful transition of Éric Martel to the position of Chief Executive Officer in 2020, when he succeeded Alain Bellemare. We have also been successful in recruiting and retaining other executive talent. Succession planning for senior officers below the CEO level is managed primarily by the CEO, who reports regularly to the HRCC, and includes identifying a pipeline of internal candidates to fill a sudden or unexpected gap that may arise in key roles and talent for leadership development opportunities.

Succession planning is a priority of the Board of Directors as part of its responsibility to ensure that the Corporation has a robust pipeline of leaders at executive and management levels, including for the President and CEO position. As provided in its mandate, the Board of Directors oversees the succession planning, including the appointment, training and monitoring, of senior management. The HRCC plays a key role in supporting the Board of Directors in its oversight of talent management and succession planning by reviewing the succession plan for the CEO and other executive roles. The HRCC reports to the Board of Directors on succession planning. The HRCC will consider the diversity of the executive team’s background, including in terms of gender, ethnicity, age and experience.

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.

In 2022, the succession management process continued to be reinforced to further support Bombardier’s business strategies, strengthen its talent plans and accelerate its successors’ development to enhance their effectiveness, diversity, skills, knowledge and leadership. We have also celebrated the graduation of our first cohort of participants that went through our *High Potential Program*, which focused on accelerating the development of our top talent to become the best leaders.

In 2023, we will continue to deploy initiatives, through our Bombardier Academy of Learning, that includes revamped leadership development resources and programs. These initiatives will contribute to developing our leaders so they can drive Bombardier's success.

Sustainability and corporate social responsibility governance

Sustainability is an integral part of our enterprise strategy, and we are firmly committed to a sustainable and financially resilient future. Our 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. We see the management of ESG risks and opportunities as an inherent part of our success as a business. We regularly track potential sustainability related risks that are shaping our operating environment and develop and implement strategies to progress our performance across sustainability areas. In October 2021, we published our ESG Report which included our ESG plan and goals for 2025, as well as our 2020 sustainability performance. Our most recent ESG Report, published in May 2022, can be found on our website at <https://bombardier.com/en/sustainability>

In support of the Board of Directors, the CGNC oversees sustainability and corporate social responsibility, including monitoring our 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 CGNC of the progress in executing ESG strategies, of performance against goals, and of developments in sustainability practices. The Chair of the CGNC reports to the Board of Directors on key developments and our performance in the areas of sustainability and corporate social responsibility. The CGNC also reviews and recommends to the Board of Directors the approval of our ESG plan and the ESG Report, with the Audit Committee being responsible to review and recommend to the Board of Directors inclusion of any ESG related metrics in the ESG Report or in other public disclosures.

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 our 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 our overall ESG strategy, goals and programs. For more information on our approach to sustainability, see the Environmental, Social and Governance Considerations section of our 2022 Annual Information Form, available on our website at www.bombardier.com/en/investors/financial-reports and on the SEDAR website at www.sedar.com.

Shareholder engagement and other stakeholders

The Board of Directors and management recognize the importance of timely and meaningful feedback from shareholders and other stakeholders. Accordingly, the Corporation aims to facilitate open and constructive communication and to review its strategies to align them with best practices. The table outlines the Corporation's long-standing shareholder engagement practices:

Events	Who we engage with	Who engages	What we talk about
Annual General Meeting*	Shareholders (Institutional and retail)	<ul style="list-style-type: none"> • Chair of the Board • CEO • senior management, as applicable 	Business of the meeting (financial statements, appointment of independent auditors, director elections, advisory vote on executive compensation and other proposals for shareholder vote).
Quarterly earnings conference calls*	Financial analysts and shareholders (institutional and retail)	<ul style="list-style-type: none"> • CEO • CFO • Investor Relations 	Most recently released quarterly financial and operating results, and an overview of business operations and strategies. We also discuss any announced amendments to our guidance, and how we are tracking to our annual targets and 5-year plan. Additionally, the conference calls include a question-and-answer session.
Periodic Investor Day*	Financial analysts and shareholders (institutional and retail)	<ul style="list-style-type: none"> • CEO • CFO • senior management 	Provide an overview on the strategic outlook, guidance, aftermarket strategy as well as financial information.
Industry conferences, tradeshows, and executive tours (in Canada, the United States, Europe and Asia)	Financial analysts and institutional shareholders	<ul style="list-style-type: none"> • CEO • CFO • senior management • Investor Relations 	General economic, political and market conditions, and discussion of our previously disclosed business strategy and operations.
Regular meetings, calls and discussions	Financial analysts and institutional shareholders	<ul style="list-style-type: none"> • CEO • CFO • senior management • Investor Relations 	Information that is publicly available, including business strategy and operations, or more focused topics regarding ESG matters, industry trends, technology evolution, market dynamics and competitive landscape.
Ad hoc meetings	Shareholders (institutional and retail) and shareholder advocacy groups (e.g. Institutional Shareholders Services, Glass Lewis and Canadian Coalition for Good Governance)	<ul style="list-style-type: none"> • CEO • CFO • senior management • Investor Relations 	Governance, sustainability, executive compensation and any other topics within the Board's mandate.

* Webcasts of these events and related documentation are posted for a period of time on the Corporation's website at bombardier.com/en/investors

We also communicate through a variety of channels, including news releases and disclosure documents, such as our annual report, management information circular, annual information form, financial statements and management's discussion and analysis, management proxy circular and ESG Report, and our corporate website, which includes recent investor presentations with highlights of our business and strategic objectives, as well as governance information. We also publish a *Pre-Owned Market Report*, which includes information for key fleet indicators, value trends and market commentaries, and we participate in industry-specific focus working groups. We believe that the Corporation's approach reflects leading practice in shareholder and other stakeholder engagement.

Throughout the year, we also respond to any shareholder concerns and inquiries we receive. Shareholders may contact the Corporation via our Investor Relations Department, by phone: 514-240-9646 or by email: francis.richer.de.la.fleche@bombardier.com. Other contact details are available on our website at bombardier.com/en/contact.

Ethical business conduct

Our Code of Ethics (the “**Code**”) addresses ethical conduct in our work environment, business practices and relationships with external stakeholders. The principles set out in the Code reflect Bombardier’s belief that honesty and integrity foster a positive work environment that strengthens the confidence of all stakeholders. The Code is reviewed periodically and was substantively updated in 2019 to reflect the evolution of laws, regulations and social context. Specific sections or provisions of the Code are updated from time to time to reflect particular requirements or changes in our internal ethics and compliance practices, or as a result of updates to other policies of Bombardier that form part of the Code. The Code applies at all times, without exception, to all the directors and to all of our employees and at every level, in every country and from every Bombardier legal entity (including joint ventures where Bombardier has a majority/ controlling interest). The Code 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 our values and reputation. The Code also 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.

We conduct annual certifications of the Code by which all office employees are required to renew their commitment to it, acknowledging that they have read, respected and have no personal knowledge of any breaches of the Code. Bombardier also offers training to employees on the principles of the Code and its underlying policies and procedures. The Code may be consulted on our website at bombardier.com/en/who-we-are. We have implemented strong compliance processes and a comprehensive training program to guide our 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 our ESG Report, which can be found on our website at www.bombardier.com/en/sustainability.html.

Bombardier believes that good ethics and a strong commitment to corporate responsibility and sustainable business practices are essential for managing the challenges and opportunities of a rapidly changing global environment. To honour this commitment, Bombardier has been a signatory of the United Nations Global Compact (UNGC) since 2007, and is thus committed to actively promoting the 10 UNGC fundamental principles addressing human rights, labour, the environment and anti-corruption. Our Supplier Code of Conduct integrates these principles, and is accessible via our website at bombardier.com/en/who-we-are. Bombardier suppliers, service providers and consultants are expected to adhere to Bombardier’s Supplier Code of Conduct when dealing with or acting on behalf of Bombardier.

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, Ethics Line, 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.

Section 5: Executive compensation discussion and analysis

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 aerospace 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 our 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 2022 executive compensation at Bombardier.

Key 2022 achievements

In 2022, the Corporation took a significant step forward. We remained focused on executing our plan and ensuring that the fundamentals of our business remained central to delivering strong performance. Some of the notable achievements include:

FINANCIAL RESULTS

2022 reported revenues for the year of \$6.9 billion, up 14% year-over-year, driven by higher deliveries, a favorable aircraft mix and aftermarket reaching a new full-year peak of \$1.5 billion in revenues, up 22% year-over-year.

2022 adjusted EBITDA⁽¹⁾ rose 45% from last year to \$930 million, driven by increased *Global 7500* contribution, cost structure improvements, higher aftermarket contribution and a better aircraft mix. Full year reported EBIT is at \$538 million.

Strong free cash flow⁽¹⁾ generation of \$735 million from continuing operations for 2022, representing an improvement of \$635 million year-over-year, driven by earnings growth and strong order intake. Cash flows from operating activities for the full year were \$1.1 billion and net additions to PP&E and intangible assets for the full year were \$337 million. Adjusted available liquidity⁽¹⁾ stands strong at \$1.9 billion; cash and cash equivalents were \$1.3 billion as of December 31, 2022.

Backlog⁽²⁾ reached \$14.8 billion at year end, representing a \$2.6 billion increase year-over-year and a reflection of continued strong order intake and a steady demand profile. Full year unit book-to-bill⁽³⁾ reached 1.4.

Throughout 2022, Bombardier regularly took debt reduction actions which resulted in debt repayments of \$1.1 billion for the full year 2022. This represents a total debt reduction of \$4.1 billion since December 31, 2020. Adjusted net debt⁽¹⁾ stands at \$4.3 billion as at December 31, 2022.

BUSINESS RESULTS

Aftermarket Expansion. Throughout 2022, Bombardier continued enhancements to its worldwide customer service network, including the expansion of Bombardier's service center network in Berlin, Miami, London-Biggin Hill, Singapore and Melbourne. Additionally, on December 6, 2022, Bombardier announced the official groundbreaking of its new service center at the Abu Dhabi International Airport (AUH) in Abu Dhabi, U.A.E.

Delivery of 100th Global 7500. On March 29, 2022, Bombardier delivered its 100th *Global 7500* as VistaJet accepted the tenth *Global 7500* aircraft to its fleet. The 100th *Global 7500* delivery makes VistaJet the largest operator of *Global 7500* aircraft in the world and underscores the long-time relationship between Bombardier and VistaJet, and demonstrates the success of this unparalleled business jet.

Bombardier Challenger 3500 wins multiple awards. On April 14, 2022, Bombardier's newly launched *Challenger 3500* jet won the "Red Dot: Best of the Best" in the Red Dot Award: Product Design 2022. The prestigious Red Dot Award is one of the most sought-after international recognitions for design and innovation excellence. On September 19, 2022, *Challenger 3500* aircraft won the "Grand Winner" in the Industrial Design / Automotive & Transportation category at the 15th edition of the "Grands Prix du Design". The international award recognizes excellence in design and celebrates the talented professionals who inspire through their creative vision.

Launch of Defense Business. On April 19, 2022, Bombardier launched Bombardier Defense as evolution of Specialized Aircraft division, designating Wichita site as its new U.S. Headquarters. Bombardier's footprint in Wichita reflects the Corporation's strategic expansion of its existing Specialized Aircraft division. The site also continues to operate one of the world's leading flight test centres that performs testing and certification of aircraft upgrades on all new Bombardier aircraft programs.

Introduction of Global 8000. On May 23, 2022, Bombardier introduced the newest member of its industry-leading business jet portfolio with the introduction of the *Global 8000* aircraft. The *Global 8000* aircraft leverages and enhances the outstanding attributes of the *Global 7500* aircraft. On November 29, 2022, Bombardier announced that NetJets, its long-time valued customer and a world leader in private aviation, will become the fleet launch customer for the *Global 8000* aircraft with a firm order of four *Global 8000* aircraft.

ESG

Milestone Sustainable Aviation Fuel commitment. On October 17, 2022, Bombardier and Signature Aviation announced a multi-year agreement for the purchase of sustainable aviation fuel (SAF), at blend ratio of 30% SAF and 70% regular jet fuel quantities, utilizing the Book and Claim system, covering all of Bombardier's flight operations starting in January 2023. The initiative reinforces Bombardier's leadership role in the promotion, adoption and widespread use of SAF.

Challenger 3500 receives its Environmental Product Declaration. Bombardier published on May 20, 2022 the *Challenger 3500* Business Jet Environmental Product Declaration (EPD) that provides detailed information about the aircraft's life cycle environmental footprint. The validation, verification, and confirmation of the EPD for the *Challenger 3500* represents another milestone for Bombardier, demonstrating its ongoing commitment to sustainability. The next-generation *Challenger 3500* business jet entered into service on September 20, 2022.

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 current stage of deleveraging and reshaping its balance sheet and meeting its strategic plan.

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 Appendix "D" (Non-GAAP financial measures and ratios) of this Circular, for definitions of these metrics and reconciliations to the most comparable IFRS measures.

⁽²⁾ Represents order backlog for both manufacturing and services.

⁽³⁾ Defined as net new aircraft orders in units over aircraft deliveries in units.

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 growing profitably and managing costs, which are critical to the Corporation's strategic plan. The HRCC believes that in Bombardier's current stage of deleveraging and reshaping its balance sheet, return measures are less relevant, 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 as Bombardier transforms its balance sheet, cash is the single most important measure of corporate stability and performance.

Executive compensation highlights

Our 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 2022, total compensation of the CEO, the CFO and the three other most highly compensated executive officers of Bombardier (collectively, the named executive officers or "NEOs") was distributed in line with Bombardier's compensation policies and practices and reflects strong performance for the fiscal year.

Please also see the performance graph below in this Section.

Pay for performance

To reward the executive team for achieving milestones towards achieving the Corporation's strategic priorities, 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 2022 target total direct compensation is at risk for the President and Chief Executive Officer and around 75% of 2022 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 2022 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
Paul Sislian	Executive Vice President, Operations ⁽¹⁾	August 2, 2008
Daniel Brennan	Senior Vice President, People and Sustainability	February 10, 2017

(1) Paul Sislian was appointed Executive Vice President, Bombardier Aftermarket Services & Strategy effective on February 20, 2023.

Compensation objectives

Bombardier's executive compensation program is designed to support the achievement of the Corporation's strategic priorities 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 Corporation's strategic priorities 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:

Term	2022 COMPENSATION ELEMENTS				
	Base Salary 1 year	Short-Term Incentives ⁽¹⁾ 1 year	RSUs 3 years	Long-Term Incentives PSUs 3 years	Stock Options 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 longer-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 2022	Paid in 2023 based on performance achieved in 2022	Paid in 2025	Paid in 2025, only if performance goals are achieved	Exercisable in 2025 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 the header "Sales Commissions" herein after in this Section 5 for more details.

Say on pay

As a best practice, we 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 2022 Annual General Meeting, 97.92% 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. In addition, in 2022, members of the Corporation's management team engaged shareholders and their representatives to better understand their views about the Corporation's compensation policies and practices, which included discussions with certain major institutional shareholders.

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 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 R. 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
<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> - 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	
<ul style="list-style-type: none"> - Industry - Size based on annual revenues - Ownership structure (public or private) - Country of head office or a major subsidiary 	<ul style="list-style-type: none"> - Complexity of operations - Number of employees - Competitors for talent - 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
<ul style="list-style-type: none"> - Multiple manufacturing sites and service centers in many geographic locations - Technical field/advanced technologies - Highly regulated industry 	<ul style="list-style-type: none"> - Global customer base - Complex supply chains 	<ul style="list-style-type: none"> - Limited talent pool with high labour mobility for executives

For 2022, 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.	Canadian National Railway	Finning International Inc.	Stantec Inc.
Air Canada	Canadian Pacific Railway	National Bank of Canada	Teck Resources Limited
CAE Inc.	Celestica Inc.	NFI Group Inc.	TFI International Inc.
	CGI Inc.	SNC-Lavalin Group Inc.	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.

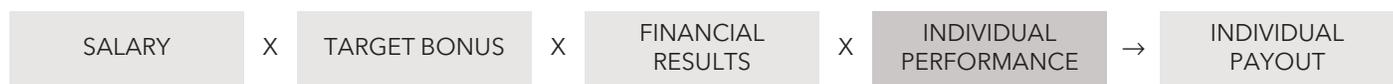
SHORT-TERM INCENTIVE PLAN

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 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.

The threshold payout level for each pre-established key financial performance measures under the STI plan is 50% of target. If a key financial performance measure does not meet the threshold, the payout for that performance measure is zero. If a financial performance measure is met at target, the payout for that performance measure will be 100%. The maximum payout for superior performance is 200% of target. The performance factors are interpolated between levels.

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



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, 2022:

BOMBARDIER INC. PERFORMANCE AGAINST TARGETS					
Key Performance Measures	Target (M\$)	Actual as Reported (M\$)	Achievement	Weight	Financial Results Factor
Adjusted EBITDA ⁽¹⁾	875.0	930.0	148%	50%	174%
FCF ⁽¹⁾	0	735.0	200%	50%	

(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 Appendix "D" (Non-GAAP financial measures and ratios) of this Circular, for definitions of these metrics and reconciliations to the most comparable IFRS measures.

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 2018, 2019, 2020, 2021 and 2022 having been, 169%, 0%, 25%, 140% and 174% 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 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's 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 2022:

NEO	INDIVIDUAL ACHIEVEMENTS
<p>Éric Martel President and Chief Executive Officer</p>	<ul style="list-style-type: none"> - Led the strong financial positioning of the Corporation with \$6.9 billion in revenues, an adjusted EBITDA⁽¹⁾ of \$930 million and FCF⁽¹⁾ generation of \$735 million from continuing operations - Led the growth and improvement of the quality of the Corporation's backlog, with a book-to-bill that reached 1.4 and a diversified backlog of \$14.8 billion - Directed the expansion of the Corporation's aftermarket business through continued enhancements to its worldwide customer service network in Berlin, Miami, London-Biggin Hill, Singapore and Melbourne, and announced its new service centre at the Abu Dhabi International Airport (AUH) in Abu Dhabi, United Arab Emirates (U.A.E.) - Oversaw the publication of the <i>Challenger 3500</i> Business Jet Environmental Product Declaration (EPD) demonstrating Bombardier's ongoing commitment to sustainability - Successfully launched Bombardier Defense reflecting the Corporation's strategic expansion of its existing Specialized Aircraft division - Announced the introduction of the <i>Global 8000</i> aircraft, the newest member of its industry-leading business jet portfolio - Completed the multi-year agreement between Bombardier and Signature Aviation for the purchase of sustainable aviation fuel (SAF)
<p>Bart Demosky Executive Vice President and Chief Financial Officer</p>	<ul style="list-style-type: none"> - Led the debt reduction actions which resulted in debt repayments of \$1.1 billion for the full year 2022, representing a total debt reduction of \$4.1 billion since December 31, 2020 - Helped strengthen the balance sheet and enhance the Corporation's liquidity with secured revolver facility - Delivered a year-over-year increase of 45% on adjusted EBITDA⁽¹⁾ to \$930 million - Generated a strong free cash flow⁽¹⁾ of \$735 million from continuing operations, representing an improvement of \$635 million year-over-year - Provided leadership to continue to grow and improve the quality of the Corporation's backlog
<p>Peter Likoray Senior Vice President, Sales, New Aircraft</p>	<ul style="list-style-type: none"> - Led the delivery of the 100th <i>Global 7500</i> which marks the 10th aircraft delivery to VistaJet's fleet - Concluded a firm order of four <i>Global 8000</i> aircraft with NetJets, who will become the fleet launch customer for the <i>Global 8000</i> aircraft - Provided leadership to create a book-to-bill of 1.4 and a diversified backlog of \$14.8 billion which reflects a continued strong order intake and a steady demand profile
<p>Paul Sislian Executive Vice President, Operations</p>	<ul style="list-style-type: none"> - Delivered 123 customer aircraft - Played a key role in the success of the <i>Challenger 3500</i>, leading the newly launched aircraft to win multiple awards in 2022 - Delivered the 100th <i>Global 7500</i> which demonstrates the success of this unparalleled business jet - Led the organization in achieving the unit cost learning curve for the <i>Global 7500</i>
<p>Daniel Brennan Senior Vice President, People and Sustainability</p>	<ul style="list-style-type: none"> - Played a key role in supporting the continued expansion of the Corporation's aftermarket business through resource planning and hiring support - Delivered a runway framework to successfully meet employee engagement targets - Oversaw the development of the multi-year agreement between Bombardier and Signature Aviation for the purchase of sustainable aviation fuel (SAF)

(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 Appendix "D" (Non-GAAP financial measures and ratios) of this Circular, for definitions of these metrics and reconciliations to the most comparable IFRS measures.

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, 2022. 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 ⁽²⁾
Éric Martel	125%	174%
Bart Demosky	90%	174%
Peter Likoray ⁽³⁾	60%	174%
Paul Sislian	90%	174%
Daniel Brennan	75%	174%

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

(2) Applies to base salary and STI target.

(3) Peter Likoray is also eligible to receive sales 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. We believe that disclosure of specific metrics and targets under this program would be seriously prejudicial to Bombardier's 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, 2022, the HRCC provided 50% of the value of long-term incentive grants in the form of PSUs, 20% in the form of stock options and 30% in the form of RSUs to all NEOs. The HRCC believes this combination of long-term incentives ("LTI") is appropriate to reinforce attraction and retention of key employees, and motivate 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 "C" (Stock Options and Deferred Share Units) of this Circular 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 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 2022. Actual payouts are disclosed in the Summary Compensation Table in the years during which they actually become vested.

2022 PSU grants to NEOs. For 2022 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 each key performance measure.

FINANCIAL KEY PERFORMANCE MEASURES

- Cumulative FCF from 2022 to 2024 (15% weighting)
- Net leverage ratio at the end of 2024 (15% weighting)
- Return on invested capital (ROIC) for 2022, 2023 and 2024 (3 years average) (30% weighting)
- Cumulative adjusted net income 2022 to 2024 (30% weighting)

ESG KEY PERFORMANCE MEASURES

- Greenhouse gas emissions (2.5% weighting)
- Loss time incidents (2.5% weighting)
- Women in management (2.5% weighting)
- Employee engagement score (2.5% weighting)

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, Éric 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.	<ul style="list-style-type: none"> - 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	<ul style="list-style-type: none"> - 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)

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 2016, 2017, 2018 and 2019 having been 92%, 57%, 20% and 0% 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 2019 PSUs PERFORMANCE VESTING

The 2019 PSU grants vested in May 2022 and below is the calculation of the overall vesting percentage.

Weight	EBIT Cumulative 2019-2021 35%	EBIT % in 2021 15%	Cash Year-End 2021 35%	FCF 2021 15%	Overall Vesting Percentage ⁽¹⁾
Target	2,500	6.0%	2,700	250	
Actual	412	3.7%	1,675	100	0% ⁽²⁾
Payout	0%	0%	0%	0%	

(1) Adjusted for CEWS

(2) In relation to the sale of the Transportation business to Alstom, Daniel Brennan's 2019 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 85%.

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.

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 2022, 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

We have 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
Paul Sislian	3x
Daniel Brennan	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).

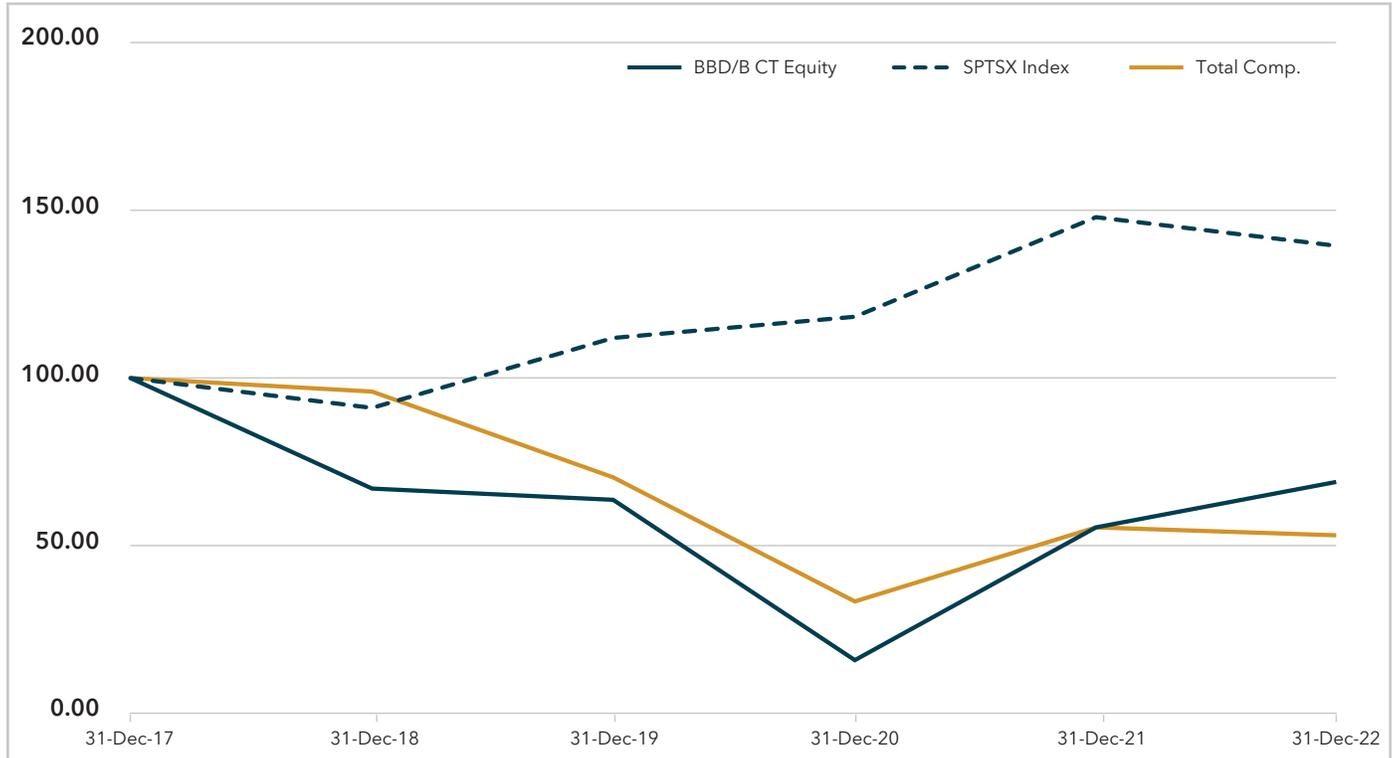
CLAWBACK POLICY

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. We have 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 total shareholder return ("TSR") over its five most recently completed financial years, assuming an amount of \$100 was invested on December 31, 2017 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, 2017 TO DECEMBER 31, 2022



COMPOUND ANNUAL GROWTH RATE (including dividends)
 BOMBARDIER⁽¹⁾: -7.15%
 S&P/TSX⁽²⁾: 6.88%

(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, 2017 = 100 and Total NEO Compensation for the fiscal year ended December 31, 2017 = 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 2018, the graph shows an decrease in TSR and a 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;
- for 2021, the graph shows an increase in TSR and an increase in total compensation; and
- for 2022, the graph shows an increase in the TSR and a decrease in total compensation.

It is important to note that:

- NEOs are compensated on the basis of performance metrics that we consider 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 our 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 our business plan. These at-risk components for the NEOs in 2022 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 our TSR performance to that of market indices, we believe that the 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 oil price movements, macroeconomic growth rates, and geopolitical developments, as well as the factors listed under "Forward-looking Statements" in this Circular.

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 2022, total compensation of the Corporation's NEOs was distributed in line with Bombardier's compensation policies and practices and reflects strong performance for the fiscal year. The Corporation also notes that fluctuations in the exchange rates had a downward effect on total NEO compensation values.

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			All Other Compensation ⁽⁴⁾ (\$)	Total Compensation (\$)
					Annual Incentive Plan ⁽²⁾ (\$)	Long-term Incentive Plan (\$)	Pension Value ⁽³⁾ (\$)		
Éric Martel President and Chief Executive Officer	2022	883,900	2,300,700 ⁽⁵⁾	575,200 ⁽⁵⁾	1,940,400	694,600 ⁽⁸⁾	23,700	241,300	6,659,800
	2021	900,900	2,016,800 ⁽⁶⁾	864,400 ⁽⁶⁾	1,570,500	483,200 ⁽⁹⁾	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
Bart Demosky Executive Vice President and Chief Financial Officer	2022	490,300	797,600 ⁽⁵⁾	199,400 ⁽⁵⁾	774,600	–	23,700	106,900	2,392,500
	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
Peter Likoray Senior Vice President, Sales, New Aircraft	2022	307,600	429,500 ⁽⁵⁾	107,400 ⁽⁵⁾	1,977,400	–	(19,100)	25,600	2,828,400
	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
Paul Sislian Executive Vice President, Operations	2022	483,800	797,600 ⁽⁵⁾	199,400 ⁽⁵⁾	763,000	–	155,700	24,500	2,424,000
	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
Daniel Brennan Senior Vice President, People and Sustainability	2022	413,300	613,500 ⁽⁵⁾	153,400 ⁽⁵⁾	542,200	373,600 ⁽⁸⁾	23,700	63,300	2,183,000
	2021	420,400	576,200 ⁽⁶⁾	247,000 ⁽⁶⁾	439,800	262,800 ⁽⁹⁾	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

* 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) 0.7691 for the financial year ended December 31, 2022, (ii) 0.7977 for the financial year ended December 31, 2021, and (iii) 0.7461 for the financial year ended December 31, 2020. 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) Refer to the tables "Defined Contribution Plans" and "Defined Benefit Plans" of this Circular and to previous years' circulars for the two previous years.
- (4) The table below sets forth the amounts attributable to each of the compensation items included in "All Other Compensation" for each NEO in 2022. For all NEOs in respect of the financial year ended December 31, 2022, 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 2022:

Executive	Supplemental DC Plan / Savings Account ^(a) (\$)	Employee Share Purchase Plan ^(b) (\$)	Other Employee Benefits ^(c) (\$)	Total (\$)
Éric Martel	189,200	–	52,100	241,300
Bart Demosky	71,300	–	35,600	106,900
Peter Likoray	25,700	–	(100)	25,600
Paul Sislian	13,900	–	10,600	24,500
Daniel Brennan	56,300	4,600	2,400	63,300

(a) The contributions to the Supplemental DC Plan based on base salary have been made on December 29, 2022 at an exchange rate from Canadian dollars to US dollars of 0.7376.

- (b) This represents the employer contribution to the Employee Share Purchase Plan. The amount was converted from Canadian dollars to US dollars based on the average exchange rate during the year of 0.7691.
 - (c) 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.
- (5) 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 May 12, 2022, 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 \$29.75, and the exchange rate from Canadian dollars to US dollars was of 0.7669.

The estimated value of stock options granted on May 12, 2022 to all NEOs was determined by applying a Black-Scholes factor of 0.60 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 \$29.75, and an exchange rate from Canadian dollars to US dollars of 0.7669. The underlying assumptions used to determine the accounting value of the options granted on May 12, 2022 are as follows: risk free rate of 2.73%, dividend yield of 0%, share price volatility of 70.72%, expected term of 5 years and a Black-Scholes factor of 60%.

- (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 \$26.75, 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 \$26.75, 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 \$11.50, 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 \$12.00 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 \$7.50 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 \$11.50, 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 \$7.50, 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) Éric 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 second tranche of this grant was paid on June 2, 2022. This represents an amount of CDN \$875,000 converted to US dollars based on an exchange rate of 0.7938. For Mr. Brennan, the second tranche of this grant was paid on November 17, 2022. This represents an amount of CDN \$498,750 converted to US dollars based on an exchange rate of 0.7491. The amounts paid were determined by applying a performance factor of 1.5. Please refer to the "Long-term incentive plans" of Section 5 of this Circular.
- (9) Éric 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.

OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS

NEO	Grant Date	Option-Based Awards			Share-Based Awards			
		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	Market Value of 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	146,674	8.49	May 14, 2027	4,413,400	91,305	3,522,500	–
	June 11, 2021	68,864	19.74	June 11, 2028	1,297,400	91,590	3,533,500	–
	May 12, 2022	42,018	21.96	May 12, 2029	698,300	100,842	3,890,500	–
Bart Demosky	December 1, 2020	–	–	–	–	52,084	2,009,400	–
	June 11, 2021	23,611	19.74	June 11, 2028	444,800	31,402	1,211,500	–
	May 12, 2022	14,567	21.96	May 12, 2029	242,100	34,959	1,348,700	–
Peter Likoray	August 12, 2016	9,540	36.35	August 12, 2023	21,300	–	–	–
	August 4, 2017	9,246	47.24	August 4, 2024	–	–	–	–
	May 10, 2018	5,396	76.21	May 10, 2025	–	–	–	–
	August 10, 2018	6,781	90.97	August 10, 2025	–	–	–	–
	May 9, 2019	12,003	40.78	May 9, 2026	–	–	–	–
	November 12, 2020	–	–	–	–	53,334	2,057,600	–
	June 11, 2021	13,773	19.74	June 11, 2028	259,500	18,319	706,700	–
	May 12, 2022	7,844	21.96	May 12, 2029	130,400	18,824	726,200	–
Paul Sislian	August 12, 2016	10,732	36.35	August 12, 2023	23,900	–	–	–
	August 4, 2017	11,557	47.24	August 4, 2024	–	–	–	–
	May 10, 2018	10,117	76.21	May 10, 2025	–	–	–	–
	May 9, 2019	48,010	40.78	May 9, 2026	–	–	–	–
	November 12, 2020	–	–	–	–	133,334	5,144,000	–
	June 11, 2021	23,611	19.74	June 11, 2028	444,800	31,402	1,211,500	–
	May 12, 2022	14,567	21.96	May 12, 2029	242,100	34,959	1,348,700	–
Daniel Brennan	February 24, 2017	39,794	46.68	February 24, 2024	–	–	–	–
	August 4, 2017	38,138	47.24	August 4, 2024	–	–	–	–
	May 10, 2018	22,258	76.21	May 10, 2025	–	–	–	–
	May 9, 2019	48,010	40.78	May 9, 2026	–	–	–	–
	November 12, 2020	128,193	5.54	November 12, 2027	4,235,500	79,800	3,078,700	–
	June 11, 2021	19,676	19.74	June 11, 2028	370,700	26,169	1,009,600	–
	May 12, 2022	11,206	21.96	May 12, 2029	186,200	26,892	1,037,500	–

- (1) As of December 31, 2022, only stock options granted on August 12, 2016, February 24, 2017, August 4, 2017, May 10, 2018, August 10, 2018 and May 9, 2019 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 0.7381 as of December 31, 2022.
- (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, 2022 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 \$52.27 and an exchange rate from Canadian dollars to US dollars of 0.7381 as of December 31, 2022, 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, 2022 of CDN \$52.27, 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 0.7381 as of December 31, 2022.
- (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	–	–	–	1,940,400
Bart Demosky	–	–	–	774,600
Peter Likoray	–	–	–	1,977,400
Paul Sislian	–	–	–	763,000
Daniel Brennan	–	–	583,400	542,200

- (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 6, 2022, the value is determined by multiplying the number of vested PSUs by the closing price of the Class B subordinate voting shares on May 6, 2022 of CDN 31.75 and an exchange rate from Canadian dollars to US dollars of 0.7763.
- (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, 2022 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⁾ : 3,683,172 DSUs ⁽¹⁾⁽²⁾ : 20,052	56.52 N/A	Stock options: 2,207,983 DSUs: 904,931
Equity compensation plans not approved by security holders	–	–	–
Total	3,703,224		3,112,914

- (1) Please refer to Appendix “C” (Stock Options and Deferred Share Units) of this Circular.
- (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⁾
2020	274,867	–	96,328	0.29%
2021	227,838	–	99,047	0.23%
2022	149,592	–	94,496	0.16%

- (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 2022, 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 Éric 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, 2022, the contribution limit under the Base DC Plan is CDN \$30,780. 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 2022 is CDN \$171,000) 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 2022 is CDN \$342,000) 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 \$209,200 into the Supplemental DC Plan.

All NEOs who participate in 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, 2022 and December 31, 2022. 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, 2022 (\$)	Compensatory Changes ⁽¹⁾ (\$)	Accumulated Value as of December 31, 2022 ⁽²⁾ (\$)
Éric Martel	51,500	23,700	63,500
Bart Demosky	33,500	23,700	50,000
Peter Likoray	335,200	(8,800)	263,700
Paul Sislian	65,300	–	54,700
Daniel Brennan	156,500	23,700	156,000

(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 0.7691 during the financial year ended December 31, 2022.

(2) The accumulated value includes employer and employee contributions and investment earnings of the financial year ended December 31, 2022. The values were converted from Canadian dollars to US dollars based on an exchange rate of 0.7381 as of December 31, 2022.

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, 2022 and December 31, 2022.

NEO	Number of years of credited service		Annual Benefits Payable ⁽¹⁾		Opening Present value of Obligation as of Dec. 31, 2021 ⁽²⁾	Changes of Obligation During the Year		Closing Present value of Obligation as of Dec. 31, 2022 ⁽⁵⁾
	Dec. 31, 2022	Age 65	Dec. 31, 2022 (\$)	Age 65 (\$)		Compensatory Change (\$) ⁽³⁾	Non Compensatory Change (\$) ⁽⁴⁾	
Peter Likoray	30.1	38.5	147,100	169,100	3,086,600	(10,300)	(736,600)	2,339,700
Paul Sislian	14.3	27.2	127,900	233,800	2,457,600	155,700	(952,900)	1,660,400

(1) Based on the average base salary over the last three years and (i) credited service on December 31, 2022 and (ii) upon attainment of age 65. The values were converted from Canadian dollars to US dollars based on an exchange rate of 0.7381 as of December 31, 2022.

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

(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 0.7691 during the financial year ended December 31, 2022.

(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 0.7691 during the financial year ended December 31, 2022.

(5) The values were converted from Canadian dollars to US dollars based on an exchange rate of 0.7381 as of December 31, 2022.

- 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

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

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.

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, 2022			
NEO	Retirement (\$)	Termination without Cause (\$)	Death (\$)
Éric Martel	–	3,852,900 ⁽¹⁾	–
Bart Demosky	–	901,900 ⁽²⁾	–
Peter Likoray	–	– ⁽³⁾	–
Paul Sislian	–	584,500 ⁽⁴⁾	–
Daniel Brennan	–	1,046,600 ⁽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 0.7381 as of December 31, 2022.
- (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 0.7381 as of December 31, 2022.
- (3) Will be based on civil law requirements.
- (4) 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 0.7381 as of December 31, 2022.
- (5) 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 0.7381 as of December 31, 2022.

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, 2022, 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	<p>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.</p> <p>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.</p>
Performance Share Units	<p>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.</p> <p>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⁾</p>
Restricted Share Units	<p>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.</p> <p>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.⁽¹⁾</p>
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	<p>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.</p> <p>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⁾</p>
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 R. Oberhelman
Melinda Rogers-Hixon
Antony N. Tyler

Section 6: Additional information

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 \$5,389,860 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, 2022, this Circular and the 2022 Financial Report of Bombardier, which includes its audited consolidated financial statements and its management's discussion and analysis thereon for the fiscal year ended December 31, 2022, 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 our Investor Relations Department 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 fiscal year ended on December 31, 2022.

We offer our 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 and the Meeting Materials in the Notice of Meeting and in Section 1 (General Information) of this Circular.

SHAREHOLDER PROPOSALS

Proposals with respect to any matter which persons entitled to vote at the 2024 annual meeting of shareholders of the Corporation wish to raise at such meeting must be made pursuant to the provisions of the CBCA, and must be received by the Corporation no later than January 29, 2024.

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 our website at bombardier.com/en/who-we-are/our-governance and on the SEDAR website at www.sedar.com.

OTHER BUSINESS TO BE TRANSACTED AT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

Management of the Corporation is not aware of any matter to be submitted at the Meeting other than the matters set forth in the Notice of Meeting. Every proxy given to any person in the form of proxy that accompanied the Notice of Meeting will confer discretionary authority with respect to amendments or variations to the items of business identified in the Notice of Meeting and with respect to any other matters that may properly come before the Meeting.

APPROVAL OF THE BOARD OF DIRECTORS OF BOMBARDIER

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

Dorval, Québec, March 13, 2023



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

Appendix “A”

Mandate of the Board of Directors

MANDATE OF THE BOARD

The role of the Board of Directors (the “**Board**”) of Bombardier Inc. (“**Bombardier**” or the “**Corporation**”) 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 of the Board or to individual directors or officers any part of its authority which it may lawfully so delegate). The Board may assign to any committee of the Board the prior review of any issues the Board is responsible for. Recommendations of a committee of the Board are subject to Board approval. The Board is to be informed of any decisions by a committee of the Board 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) external auditors’ independence and qualifications;
 - c) the performance of Bombardier’s internal audit function and of Bombardier’s external auditors; and
 - d) Bombardier’s compliance with its own Code of Ethics and related policies 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 Corporation’s approved Delegation of Authority Matrix 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 external auditors;
- through the work and recommendations of the Audit 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, and ensuring 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 Audit 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 Audit 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 ("CEO") and a number of selected senior executive positions through the appropriate mechanisms put in place by the Human Resources and Compensation Committee

- appointing the CEO, monitoring his or her performance and overseeing the appointment of a number of selected senior executive positions;
- approving the compensation of the CEO and ensuring that an appropriate portion of the compensation of the CEO and of a number of selected senior executive positions is tied to the short-term 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 related policies applicable to Bombardier's directors, officers and employees;
- ensuring the annual performance assessment of the Board, each committee of the Board, Board and committee chairs, and individual directors, and determining their remuneration (other than for any executive directors);
- 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 Chair of the Board and the CEO, any comment, question or suggestion of independent directors;
- the independent directors have no decision-making power on their own;
- independent directors may provide for their own procedures such as secretariat, notices of meeting, minutes and similar matters;
- their quorum is composed of a majority of the independent directors.

Appendix “B”

Shareholders proposals from the Mouvement d'éducation et de défense des actionnaires (“MÉDAC”)

PROPOSAL 1 : Disclosure of Languages Mastered by Directors (translation)

It is proposed that the languages mastered by the directors be disclosed in their skills and expertise matrix in the circular.

In recent years, several public controversies about language have tainted the reputation of major public companies with respect to their social responsibility and their interpretation of their duties and obligations with respect to the diversity inherent in our societies. Language is at the heart of our democratic institutions and is a fundamental attribute of the community.

Such situations, harmful from every point of view, must be avoided. To this end – and for several other reasons – it is appropriate for all interested parties (stakeholders) to know, through a formal and official disclosure, the languages mastered by the company's directors. Obviously, by “mastered,” what is understood is a level of language sufficient to allow its generalized use in all spheres of activity of both legal and physical persons; a level of language sufficient to enable all directors to assume their duties and functions fully and completely.

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 the Greater Montréal area and present in countries around the world, 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 15,900 workers and professionals worldwide, with approximately 8,700 across Québec, principally in the greater Montreal area. The Corporation operates aerostructure, assembly and completion facilities in Quebec, Ontario, the United States and Mexico, and also has material offices or service locations in Ottawa and Toronto, Ontario, as well as in the United States, the United Kingdom, Germany, France, Switzerland, Italy, Austria, the U.A.E., Singapore, China and Australia. 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 1,100 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. We also comply with applicable language laws and regulations in all jurisdictions in which we operate.

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.

As an international organization, we seek in our Board of Directors a diversity of skills, geographical representation, business background, cultural background, global expertise, independence, financial and operational skills that meet our strategic needs and priorities. Therefore, in developing our Board of Directors' skills matrix, we ensure that the Board is appropriately constituted and that the required skills and experience are adequately represented. Please see Section 4 (Corporate Governance) of this Circular for further discussion of our Board of Directors' skills matrix, our approach to recruitment and renewal of our Board, including the competencies, skills, personal attributes and diversity criteria that we prioritize in our directors.

In light of the foregoing, the Board of Directors believes that the skills currently included in our skills matrix meets the strategic needs and priorities of Bombardier, and the Board does not believe that it is necessary to include language proficiency of our directors in the skills matrix or otherwise in our management proxy circular, all the while respecting our obligations under the Quebec Charter of the French Language and other applicable language laws and regulations.



The Board of Directors therefore recommends that shareholders vote AGAINST shareholder Proposal 1.

PROPOSAL 2: Presence of Women: Breakdown by Executive Position

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

Last year, this proposal sparked a keen interest in a large number of shareholders, so much so that two companies, Industrial Alliance and Transat Inc., agreed to supplement their disclosure on female representation by indicating the percentage of women holding management positions within their organization.

We take the liberty of filing this proposal again. On the one hand, because we believe that a greater presence of women at all levels of an organization enhances the decision-making process thanks to the complementary visions of both genders and, on the other hand, because it is an essential component of developing an efficient succession plan for strategic positions. Disclosing this data also provides a means for gauging the efforts made by executives to create a gender-balanced culture where the contributions of women and men are equally recognized. As Peter Drucker once said, "What's measured improves." It is with this in mind that we are requesting this disclosure.

The presence of women in the labour market has weakened over the last two years due to the pandemic. The United Nations highlighted this fact in a document on sustainable development goals, one of which specifically deals with gender equality. According to this document, "[t]he effects of the Covid-19 pandemic could reverse the limited progress that has been made on gender equality and women's rights. The coronavirus outbreak exacerbates existing inequalities for women and girls across every sphere - from health and the economy, to security and social protection."

It is therefore important that shareholders be in a position to monitor the situation closely in order to ensure that both women and men can develop at all levels of the organization.

BOMBARDIER'S RESPONSE

Bombardier prioritizes the advancement of women within the Corporation, which is one of the main objectives of our ESG plan for 2025. For this reason, we are prepared to share more details with our investors and the public on this topic. At the time of publishing our next ESG Report later this year, we intend to disclose in the Sustainability section of our website (bombardier.com/en/sustainability) the number and percentage representation of women at the following four levels within Bombardier:

- Senior leadership team: all members of our senior leadership team, including the CEO and officers reporting directly to the CEO
- Upper management: employees with the title of Senior Director, Vice-President, and equivalent titles
- Middle management: employees with the title of Director, Manager, or equivalent titles
(Senior leadership team, Upper management and Middle management are collectively referred to as "Management")
- Supervisors: employees with the title of Supervisor, mainly for the manufacturing and aftermarket services workforce

We will also disclose the number and percentage representation of women in non-managerial or non-supervisory roles within Bombardier.

Having already reached our previous ESG target of 25% women at Management levels (cumulatively), we increased this target to 30% to be achieved by the end of 2025. We believe our goal remains ambitious but achievable, and we are continuing to invest in our diversity and inclusion program to meet our target. Each of Bombardier's business areas will contribute to the achievement of our goal.

The Board of Directors is therefore satisfied that our intention to disclose the representation of women at the above-mentioned levels within the Corporation substantively meets the objectives of this proposal.

Considering the foregoing, and further to discussions management held with MÉDAC, it was agreed that Proposal 2 would not be presented at the Meeting for voting purposes.

Appendix “C”

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 8,985,648, 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 960,000; 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, 2022, 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	3,094,493 ⁽²⁾	3,683,172	2,207,983
	2010 DSUP	35,017	20,052	904,931
% of total number of Class A shares and Class B subordinate voting shares issued and outstanding	Stock Option Plan	3.16%	3.77%	2.26%
	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, 8,985,648.

(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, 2022 (being 149,592 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, 2022, is 0.15%.

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.

Appendix “D”

Non-GAAP financial measures and ratios

The Circular includes certain reported earnings of the Corporation in accordance with IFRS and the following non-GAAP financial measures and ratios. The reported earnings included in this Circular are more fully detailed and discussed in the 2022 Financial Report.

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, impact of business disposals and significant impairment charges and reversals.
Adjusted EBITDA	Adjusted EBIT plus amortization and impairment charges on PP&E and intangible assets
Adjusted net income (loss)	Net income (loss) from continuing operations excluding special items, accretion on net retirement benefit obligations, certain net gains and losses arising from changes in measurement of provisions and of financial instruments carried at FVTP&L and the related tax impacts of these items.
Free cash flow (usage)	Cash flows from operating activities – continued operations less net additions to PP&E and intangible assets.
Adjusted available liquidity	Cash and cash equivalents, plus certain restricted cash supporting various bank guarantees and undrawn amounts under credit facilities.
Adjusted net debt	Long-term debt less cash and cash equivalents less certain restricted cash supporting various bank guarantees

Non-GAAP Ratios

Adjusted EPS	EPS calculated based on adjusted net income attributable to equity holders of Bombardier Inc., using the treasury stock method, giving effect to the exercise of all dilutive elements.
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 divided by 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 number of readers 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 Corporation’s 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 EBIT

Adjusted EBIT is defined as the EBIT excluding special items⁽¹⁾ which comprise items that do not reflect our core performance or where their separate presentation will assist users in understanding our results for the period. Management uses adjusted EBIT for purposes of evaluating underlying business performance. Management believes presentation of this non-GAAP operating earnings measure in addition to IFRS measures provides users of this Circular with enhanced understanding of our results and related trends and increases the transparency and clarity of the core results of our business. For these reasons, a significant number of users of this Circular analyze our results based on this financial measure. Management believes this measure helps users of this Circular to better analyze results, enabling better comparability of our results from one period to another and with peers.

ADJUSTED EBITDA

Adjusted EBITDA is defined as the EBIT excluding special items⁽¹⁾, amortization and impairment charges on PP&E and intangible assets. Management uses adjusted EBITDA for purposes of evaluating underlying business performance. Management believes this non-GAAP operating earnings measure in addition to IFRS measures provides users of this Circular with enhanced understanding of our results and related trends and increases the transparency and clarity of the core results of our business, since it excludes the effects of items that are usually associated with investing or financing activities and items that do not reflect our core performance or where their exclusion will assist users in understanding our results for the period. For these reasons, a significant number of users of this Circular analyze our results based on this financial measure. Management believes this measure helps users of this Circular to better analyze results, enabling better comparability of our results from one period to another and with peers.

ADJUSTED NET INCOME (LOSS)

Adjusted net income (loss) is defined as the net income (loss) from continuing operations adjusted for certain specific items that are significant but are not, based on management's judgment, reflective of the Corporation's underlying operations. These include adjustments to EBIT related to special items⁽¹⁾, net financing expense (income) and other adjusting items for the period. Management uses adjusted net income (loss) for purposes of evaluating underlying business performance. Management believes this non-GAAP earnings measure in addition to IFRS measures provides users of our Circular with enhanced understanding of our results and related trends and increase the transparency and clarity of the core results of our business. Adjusted net income (loss) excludes items that do not reflect our core performance or where their exclusion will assist users in understanding our results for the period. For these reasons, a significant number of users of the Circular analyze our results based on this financial measure. Management believes this measure helps users of the Circular to better analyze results, enabling better comparability of our results from one period to another and with peers.

ADJUSTED EPS

Adjusted EPS is defined as the adjusted net income (loss) attributable to equity shareholders of Bombardier Inc., divided by the weighted-average diluted number of common shares for the period. Management uses adjusted EPS for purposes of evaluating underlying business performance. Management believes this non-GAAP financial ratio in addition to IFRS measures provides users of our Circular with enhanced understanding of our results and related trends and increases the transparency and clarity of the core results of our business. Adjusted EPS excludes items that do not reflect our core performance or where their exclusion will assist users in understanding our results for the period. For these reasons, a significant number of users of the Circular analyze our results based on this financial measure. Management believes this measure helps users of the Circular to better analyze results, enabling better comparability of our results from one period to another and with peers.

ADJUSTED EBIT MARGIN

Adjusted EBIT margin is defined as the adjusted EBIT expressed as a percentage of total revenues. Management uses adjusted EBIT margin for purposes of evaluating underlying business performance. Management believes this non-GAAP financial ratio in addition to IFRS measures provides users of this Circular with enhanced understanding of our results and related trends and increase the transparency and clarity of the core results of our business. Adjusted EBIT margin excludes items that do not reflect our core performance or where their exclusion will assist users in understanding our results for the period. For these reasons, a significant number of users of this Circular analyze our results based on this financial measure. Management believes this measure helps users of this Circular to better analyze results, enabling better comparability of our results from one period to another and with peers.

ADJUSTED EBITDA MARGIN

Adjusted EBITDA margin is defined as the adjusted EBITDA expressed as a percentage of total revenues. Management uses adjusted EBITDA margin for purposes of evaluating underlying business performance. Management believes this non-GAAP financial ratio in addition to IFRS measures provides users of this Circular with enhanced understanding of our results and related trends and increase the transparency and clarity of the core results of our business. Adjusted EBITDA margin excludes items that do not reflect our core performance or where their exclusion will assist users in understanding our results for the period. For these reasons, a significant number of users of this Circular analyze our results based on this financial measure. Management believes this measure helps users of this Circular to better analyze results, enabling better comparability of our results from one period to another and with peers.

(1) Refer to the Consolidated results of operations section of the 2022 Financial Report for details regarding special items.

RECONCILIATION OF ADJUSTED EBITDA TO EBIT AND COMPUTATION OF ADJUSTED EBITDA MARGIN⁽¹⁾

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2022	2021	2022	2021
EBIT	\$ 207	\$ 138	\$ 538	\$ 241
Amortization	140	119	415	417
Impairment charges on PP&E and intangible assets ⁽²⁾	1	–	3	3
Special items excluding impairment charges on PP&E and intangible assets ⁽²⁾	4	(25)	(26)	(21)
Adjusted EBITDA	\$ 352	\$ 232	\$ 930	\$ 640
Total revenues	\$2,655	\$1,771	\$6,913	\$6,085
Adjusted EBITDA margin	13.3%	13.1%	13.5%	10.5%

(1) Includes continuing operations only.

(2) Refer to the Consolidated results of operations section for details regarding special items

RECONCILIATION OF ADJUSTED EPS TO DILUTED EPS (IN DOLLARS)⁽¹⁾

	Fiscal years ended December 31	
	2022	2021
Diluted EPS from continuing operations⁽³⁾	\$(1.67)	\$(2.87)
Impact of special ⁽²⁾ and other adjusting items	2.41	(0.79)
Adjusted EPS⁽³⁾	\$ 0.74	\$(3.66)

(1) Includes continuing operations only.

(2) Refer to the Consolidated results of operations section for details regarding special items.

(3) As of June 13, 2022, Bombardier proceeded with a Share Consolidation of the Corporation's Class A shares and Class B shares (subordinate voting) at a consolidation ratio of 25-for-1. As a result, the comparative periods have been retroactively restated to reflect the Share Consolidation.

FREE CASH FLOW (USAGE)

Free cash flow is defined as cash flows from operating activities – continued operations less net additions to PP&E 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.

RECONCILIATION OF FREE CASH FLOW TO CASH FLOW FROM OPERATING ACTIVITIES⁽¹⁾

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2022	2021	2022	2021
Cash flows from operating activities – continuing operations	\$ 311	\$393	\$1,072	\$ 332
Net additions to PP&E and intangible assets	(142)	(79)	(337)	(232)
Free cash flow from continuing operations	\$ 169	\$314	\$ 735	\$ 100

(1) Includes continuing operations only.

ADJUSTED AVAILABLE LIQUIDITY

Adjusted available liquidity is defined as cash and cash equivalents, plus certain restricted cash supporting various bank guarantees and undrawn amounts under credit facilities. 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 Corporation's 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.

RECONCILIATION OF ADJUSTED AVAILABLE LIQUIDITY TO CASH AND CASH EQUIVALENTS

	Fiscal years ended December 31	
	2022	2021
Cash and cash equivalents	\$1,291	\$1,675
Undrawn amounts under available revolving credit facility ⁽¹⁾	208	–
Certain restricted cash supporting various bank guarantees	391	429
Adjusted available liquidity	\$1,890	\$2,104

(1) A committed secured revolving credit facility of \$300 million which matures in 2027 and is available for cash drawings for the ongoing working capital needs of the Corporation and for issuance of performance letters of credit. This facility was undrawn as at December 31, 2022 and the availability as at such date was \$208 million based on the collateral available, which may vary from time to time.

ADJUSTED NET DEBT

Adjusted net debt is defined as long-term debt less cash and cash equivalents 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.

RECONCILIATION OF ADJUSTED NET DEBT TO LONG-TERM DEBT AND COMPUTATION OF ADJUSTED NET DEBT TO ADJUSTED EBITDA RATIO

	Fiscal years ended December 31	
	2022	2021
Long-term debt	\$5,980	\$7,047
Less: Cash and cash equivalents	1,291	1,675
Certain restricted cash supporting various bank guarantees	391	429
Adjusted net debt	\$4,298	\$4,943
Adjusted EBITDA	\$ 930	\$ 640
Adjusted net debt to adjusted EBITDA ratio	4.6	7.7



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