ONEX corporation

NOTICE OF
ANNUAL MEETING
OF SHAREHOLDERS
TO BE HELD MAY 12, 2022
AND
INFORMATION
CIRCULAR

ONEX corporation

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual meeting of the shareholders of Onex Corporation (the "Corporation") will be held on Thursday**, the 12th day of May, 2022 at 10:00 a.m. (Eastern Daylight Savings Time)**. Due to the continuing public health impact of the global coronavirus (COVID-19) pandemic and in consideration of the health and safety of our shareholders, colleagues and the broader community, this year's meeting will be held in a virtual meeting format only, by way of a live audio webcast. Shareholders will be able to listen and vote at the meeting in real time through a web-based platform instead of attending the meeting in person. You can attend the virtual meeting by joining the live audio webcast online at **www.virtualshareholdermeeting.com/ONEX2022**. The purpose of the meeting is the following:

1. to receive and consider the consolidated balance sheets of the Corporation as at December 31, 2021 and the consolidated statements of earnings, shareholders' equity and cash flows for the year then ended, together with the report of the auditor thereon;
2. to appoint an auditor of the Corporation;
3. to authorize the directors of the Corporation to fix the remuneration of the auditor;
4. to elect directors of the Corporation;
5. to consider and approve, on an advisory basis, a resolution accepting the Corporation's approach to executive compensation;
6. to consider the shareholder proposal submitted by the Shareholder Association for Research & Education on behalf of the Catherine Donnelly Foundation; and
7. to transact such further and other business as may properly come before the meeting or any adjournment to postponement thereof.

If you are unable to attend the virtual meeting, kindly complete, date, sign and return the enclosed form of proxy or voting instruction form in the envelope provided for this purpose or go to **www.proxyvote.com** and enter your control number. Proxies to be used at the meeting must be deposited with the Corporation or Broadridge Financial Services no later than 48 hours preceding the meeting or any adjournment or postponement thereof.

DATED at Toronto, Ontario, the 21st day of March, 2022.

BY ORDER OF THE BOARD OF DIRECTORS

ANDREA E. DALY
Managing Director, General Counsel
and Secretary

ONEX corporation

MANAGEMENT INFORMATION CIRCULAR
as at March 21, 2022

This management information circular (the "Circular") is furnished in connection with the solicitation of proxies by or on behalf of the management of Onex Corporation ("Onex" or the "Corporation") for use at the annual meeting of the shareholders of the Corporation (the "Meeting") to be held by live audio webcast on Thursday, May 12, 2022 at 10:00 a.m. (Eastern Daylight Savings Time), and at any adjournment or postponement thereof, for the purposes set forth in the notice of the Meeting.

Due to the continuing public health impact of the global coronavirus (COVID-19) pandemic and in consideration of the health and safety of our shareholders, colleagues and the broader community, this year's Meeting will be held in a virtual meeting format only, by way of a live audio webcast. Shareholders will be able to listen and vote at the Meeting in real time through a web-based platform instead of attending the Meeting in person. Shareholders who log into the Meeting online will be able to listen and securely vote through the web-based platform, provided that they are connected to the internet and follow the instructions provided at the Meeting. To vote during the Meeting rather than submitting a proxy in advance, shareholders will need the control number included on their proxy and the Meeting password (see below). By using the control number and password to log into the Meeting, any vote a shareholder casts at the Meeting will revoke any proxy previously submitted. If a shareholder does not wish to revoke a previously submitted proxy, shareholders are instructed not to vote at the Meeting but will still be entitled to join the audio webcast. The virtual meeting platform service provider will make available technical support to assist shareholders seeking to cast their votes at the Meeting. Shareholders can attend the virtual Meeting by joining the live audio webcast online at **www.virtualshareholdermeeting.com/ONEX2022**.

Throughout this Circular, all amounts are in United States dollars unless otherwise indicated. All references to C$ are to Canadian dollars.

PROXIES

THE ENCLOSED PROXY IS BEING SOLICITED BY OR ON BEHALF OF THE MANAGEMENT OF THE CORPORATION and the cost of such solicitation will be borne by the Corporation. The solicitation will be primarily by mail, but officers or employees of the Corporation may also solicit proxies by telephone or in person without special compensation.

Proxies to be used at the Meeting must be deposited with the Corporation or Broadridge Financial Services no later than 48 hours preceding the Meeting or any adjournment or postponement thereof.

A shareholder executing the enclosed form of proxy has the right to revoke it under subsection 110(4) of the *Business Corporations Act* (Ontario) (the "Act"). A proxy may be revoked by depositing an instrument in writing, executed by the registered shareholder or by such shareholder's attorney authorized in writing, at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, at which the proxy is to be used or with the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof or in any other manner permitted by law.

NOTICE-AND-ACCESS

The Corporation is utilizing the "notice-and-access" process under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 –

Continuous Disclosure Obligations ("Notice-and-Access") for distribution of the Meeting materials to shareholders. Notice-and-Access is a set of rules that reduce the volume of materials that must be physically mailed to shareholders by allowing the Corporation to post the Circular and additional materials online. In accordance with Notice-and-Access, the Corporation has delivered a proxy form, or voting instruction form in the case of beneficial shareholders, and a Notice-and-Access notification to both registered and beneficial shareholders outlining relevant dates and matters to be discussed at the Meeting. The Notice of Annual Meeting, Circular, 2021 Financial Statements and 2021 Management's Discussion and Analysis have been made available to shareholders at https://materials.proxyvote.com/68272K.

VOTING SHARES

The Corporation has authorized share capital consisting of an unlimited number of senior preferred shares, an unlimited number of junior preferred shares, 100,000 Multiple Voting Shares and an unlimited number of Subordinate Voting Shares.

As at the date hereof, 100,000 Multiple Voting Shares and 86,805,538 Subordinate Voting Shares are issued and outstanding. No senior preferred shares or junior preferred shares are currently issued and outstanding.

Rights Attached to the Multiple Voting Shares and Subordinate Voting Shares

The holders of Multiple Voting Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Corporation, other than any meeting of holders of another class of shares who are entitled to vote separately as a class at such meeting and other than with respect to certain matters which are exclusively reserved for the holders of Subordinate Voting Shares. Unless and until an Event of Change (as defined in the articles of the Corporation and set forth below) occurs, the holders of Multiple Voting Shares are entitled to such number of votes in the aggregate as represents 60% of the aggregate votes attached to all the outstanding Multiple Voting Shares, Subordinate Voting Shares and other shares of the Corporation that may be created from time to time (if any) having the right to vote generally at annual and special meetings of shareholders. The number of votes will be prorated equally among the outstanding Multiple Voting Shares and will be deemed to be adjusted to maintain the 60% voting level notwithstanding any issue, repurchase or redemption of Subordinate Voting Shares or other shares having general voting rights. The holders of Multiple Voting Shares are entitled to one vote for each such share held at meetings of holders of such shares at which they are entitled to vote separately as a class.

The holders of Multiple Voting Shares are entitled, voting separately as a class, to elect 60% (rounded to the nearest whole number) of the members of the Board of Directors of the Corporation unless and until an Event of Change occurs.

The holders of Subordinate Voting Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Corporation, other than any meeting of holders of another class of shares who are entitled to vote separately as a class at such meeting and are entitled to one vote for each Subordinate Voting Share. The holders of Subordinate Voting Shares and all other shares of the Corporation that may be created from time to time (if any) having the right to vote generally at annual and special meetings of shareholders will be entitled in the aggregate to 40% of the aggregate votes attached to all the outstanding Multiple Voting Shares, Subordinate Voting Shares and other shares (if any) of the Corporation that may be created from time to time having the right to vote generally at annual and special meetings of shareholders.

The holders of Subordinate Voting Shares are entitled, voting separately as a class, to appoint the auditor of the Corporation and to elect, unless and until an Event of Change occurs, 40% (rounded to the nearest whole number) of the members of the Board of Directors of the Corporation.

The Multiple Voting Shares are non-economic. Holders of Multiple Voting Shares are not entitled to receive dividends. Holders of Subordinate Voting Shares are entitled to receive cash dividends, dividends in kind and stock dividends as and when declared by the Board of Directors. The Multiple Voting Shares have no entitlement to a distribution on winding-up or dissolution other than a payment of the nominal amount in the stated capital account for such shares. The Subordinate Voting Shares are entitled, subject to the prior rights of the senior preferred shares, the junior preferred shares and the Multiple Voting Shares, to receive the remaining assets of the Corporation.

Sunset Provisions and Extinguishment of the Multiple Voting Shares

The Multiple Voting Shares are personal to Gerald W. Schwartz, the founder, Chairman and Chief Executive Officer of the Corporation, and have been part of the Corporation's capital structure since its initial public offering in 1987.

The extinguishment of the Multiple Voting Shares will be driven by the occurrence of an "Event of Change", as defined in the Corporation's articles.

An Event of Change is defined as the earliest to occur of Gerald W. Schwartz (i) ceasing to hold office as the Chief Executive Officer of the Corporation; (ii) ceasing to hold, directly or indirectly together with his spouse and children, more than 5,000,000 Subordinate Voting Shares; or (iii) ceasing to have the right to vote or direct the vote of a majority of the outstanding Multiple Voting Shares.

From and after the occurrence of an Event of Change, (i) the holders of Multiple Voting Shares, voting separately as a class, will have the right to elect only 20% (rounded to the nearest whole number) of the members of the Board of Directors of the Corporation and otherwise will not be entitled to vote except as provided by the Corporation's articles or by applicable law and (ii) the holders of Subordinate Voting Shares, voting separately as a class, will have the right to elect 80% (rounded to the nearest whole number) of the members of the Board of Directors of the Corporation and will otherwise be entitled to one vote per share for each Subordinate Voting Share held.

The Multiple Voting Shares will be extinguished in their entirety on the earlier of the third anniversary of the Event of Change and the date Mr. Schwartz, together with his spouse and children, ceases to hold, beneficially, directly or indirectly, at least 5% of Subordinate Voting Shares.

Pursuant to a stock control agreement entered into by Mr. Schwartz, OMIL Holdings Limited, the Corporation and National Trust Company (now The Bank of Nova Scotia Trust Company) for the benefit of the holders of the Subordinate Voting Shares, a transfer of Multiple Voting Shares will generally be subject to the prior approval of at least two-thirds of the votes cast on separate class votes at meetings of the holders of the Multiple Voting Shares and Subordinate Voting Shares. The stock control agreement remains in full force and effect and no party is in material breach thereof.

Record Date

The record date for the determination of shareholders entitled to receive notice of the Meeting has been fixed at March 21, 2022. In accordance with the provisions of the Act, the Corporation will prepare a list of holders of Multiple Voting Shares and Subordinate Voting Shares, respectively, as of such record date. Each holder of Multiple Voting Shares or Subordinate Voting Shares named in the list will be entitled to vote the shares shown opposite his or her name on the list at the Meeting.

Principal Holders

To the knowledge of the directors and officers of the Corporation, no person or company beneficially owns, directly or indirectly, or exercises control or direction over securities carrying more than 10% of the voting rights attached to any class of outstanding voting securities of the Corporation other than as set forth below.

Gerald W. Schwartz holds indirectly all the outstanding Multiple Voting Shares of the Corporation. Mr. Schwartz also beneficially owns, controls or directs as at the date of this Circular, directly or indirectly, 10,364,140 Subordinate Voting Shares of the Corporation representing approximately 11.94% of the outstanding Subordinate Voting Shares.

VOTING MATTER #1 and 2:

APPOINTMENT AND REMUNERATION OF AUDITOR

The articles of the Corporation provide that the holders of Subordinate Voting Shares, voting separately as a class, have the right to appoint the auditor, although authorization of the directors to fix the auditor's remuneration requires the approval of the holders of Subordinate Voting Shares and Multiple Voting Shares, voting together.

Unless authority to do so is withheld, the Subordinate Voting Shares represented by the proxies solicited in respect of the Meeting will be voted **FOR** both the reappointment of the firm of PricewaterhouseCoopers LLP, Chartered Accountants as the auditor of the Corporation and the authorization of the directors to fix the remuneration of the auditor.

VOTING MATTER #3:

ELECTION OF DIRECTORS

Eleven nominees are proposed for election to the Board of Directors (the "Board") at the Meeting. As described under "Voting Shares" above, the holders of Subordinate Voting Shares and the holders of Multiple Voting Shares are entitled, voting separately as classes, to elect 40% and 60%, respectively, of the members of the Board, in each case rounded to the nearest whole number. The holders of Subordinate Voting Shares will be entitled to vote in respect of the election of the four directors referred to below as "SVS Nominees". Shares represented by proxies solicited by management will be voted **FOR** the SVS Nominees, unless authority to do so is withheld. Each nominee elected will hold office until the close of the next annual meeting of shareholders of the Corporation or until his or her successor is elected or appointed.

Ten of the eleven nominees are currently directors of the Corporation. As discussed in detail under "Corporate Governance Practices" below, the Board regularly assesses its membership with a view to ensuring that an appropriate mix of skills, experience, perspectives and relationships are represented. The Board believes that each incumbent director standing for re-election has provided, and is continuing to make, a material contribution and provide significant value. In addition to the value and contributions of incumbent directors, the Board has continued to actively consider the addition of new directors going forward, particularly following the retirement of Daniel Casey in 2020 and Serge Gouin in 2021. The Board is pleased to have identified and to nominate The Honourable Sarabjit S. Marwah, Senator, as a nominee standing for election at the Meeting. As discussed in greater detail below, Senator Marwah brings a wealth of leadership and financial industry experience to the Board and his nomination is consistent with the Board's commitment to enhancing diverse perspectives and fostering a plurality of ideas. Senator Marwah currently serves as a Senator in the Senate of Canada and was formerly the Vice Chair and Chief Operating Officer of Scotiabank until his retirement in 2014. He remains active in social, arts and community organizations as a Founding Member of the Sikh Foundation of Canada and Chair of the Board of Trustees for the Hospital for Sick Children.

The Corporation has adopted a majority voting policy in respect of director elections. Any nominee who is not elected by at least a majority of the votes cast at an uncontested meeting must immediately tender his or her resignation. The Board will accept the resignation absent exceptional circumstances and will announce its decision within 90 days. All members of the Board received between 81% and 96% shareholder votes supporting their election at the Corporation's last annual meeting.

I. SVS NOMINEES

The following is a description of the four SVS Nominees to be voted on by the holders of Subordinate Voting Shares of the Corporation:

Name, principal occupation and other major positions with the Corporation	Period during which served as a Director	Beneficial Ownership or Control of Subordinate Voting Shares and Deferred Share Units as of March 21, 2022 (1)(#)	Aggregate Value (C$) of Subordinate Voting Shares and Deferred Share Units as of March 21, 2022 (2)(3)
MITCHELL GOLDHAR	Since May 2017	—	1,816,009
Mr. Goldhar, 60, of Toronto, Ontario, is Executive Chairman of the Board of SmartREIT. In 1994, Mr. Goldhar founded SmartCentres and developed 265 shopping centres, many of which were anchored by Walmart. Mr. Goldhar is President and CEO of Penguin Investments Inc., a director of Indigo Books & Music Inc., a Director Emeritus with the SickKids Foundation, is on the Advisory Board for the Canadian Sports Concussion Project and is owner of the Maccabi Tel Aviv Football Club. Mr. Goldhar holds a Bachelor of Political Science degree from York University and has been an adjunct professor with the Joseph L. Rotman School of Management, University of Toronto for 15 years.		21,663	
ARIANNA HUFFINGTON	Since May 2014	—	2,686,668
Ms. Huffington, 71, of New York, New York, is the founder and Chief Executive Officer of Thrive Global, a corporate and consumer well-being and productivity business and is the founder of The Huffington Post Media Group. In May 2005, Ms. Huffington launched The Huffington Post, which won a Pulitzer Prize for national reporting in 2012. She was named to the Forbes Most Powerful Women list in 2013 and was named to the Time 100, Time Magazine's list of the world's 100 most influential people, in each of 2006 and 2011. Ms. Huffington serves on the board of EL PAÍS, a major Spanish language newspaper. Ms. Huffington holds a Master of Arts in Economics from Cambridge University.		32,049	
THE HONOURABLE SARABJIT S. MARWAH, SENATOR		—	—
Senator Marwah, 70, of Toronto, Ontario is a member of the Senate of Canada and a director at George Weston Ltd. and Cineplex Inc. He is the former Vice Chair and Chief Operating Officer of Scotiabank, retiring in 2014 after 35 years with Scotiabank where he began his career as a financial analyst. He is a Founding Member of the Sikh Foundation of Canada and has been recognized with several awards including the		—	

Name, principal occupation and other major positions with the Corporation	Period during which served as a Director	Beneficial Ownership or Control of Subordinate Voting Shares and Deferred Share Units as of March 21, 2022 (1)(#)	Aggregate Value (C$) of Subordinate Voting Shares and Deferred Share Units as of March 21, 2022 (2)(3)
Sewa Award from the Sikh Centennial Foundation and the Queen's Golden and Diamond Jubilee Awards. He has also served on the boards of the C.D. Howe Institute, the Board of Trustees of the Hospital for Sick Children, Telus Corp., the Toronto International Film Festival, Torstar Corporation, the Humber River Regional Hospital as well as a member of the selection committee for the Rhodes Scholarship. Senator Marwah holds a Bachelor of Economics (Honours) from the University of Calcutta, a Master of Economics from the University of Delhi and a Master of Business Administration (Finance) from the University of California, Los Angeles.			
BETH A. WILKINSON	Since May 2018	— 17,237	1,444,978
Ms. Wilkinson, 59, of Washington, DC is the founder of Wilkinson Stekloff LLP, a specialty trial and litigation law firm. Ms. Wilkinson was previously a partner in two major U.S. law firms and served as General Counsel to Federal National Mortgage Association (Fannie Mae) from 2006 to 2008. Ms. Wilkinson holds a Bachelor of Arts from Princeton University and a law degree from the University of Virginia School of Law.			

II. MVS NOMINEES

The following is a description of the seven directors to be voted on separately by the sole holder of Multiple Voting Shares of the Corporation ("MVS Nominees"):

Name, principal occupation and other major positions with the Corporation	Period during which served as a Director	Beneficial Ownership or Control of Subordinate Voting Shares and Deferred Share Units as of March 21, 2022 (1)(#)	Aggregate Value (C$) of Subordinate Voting Shares and Deferred Share Units as of March 21, 2022 (2)(3)
GERALD W. SCHWARTZ, O.C (6)	Since March 1987	10,364,140	868,825,856
Mr. Schwartz, 80, of Toronto, Ontario, is the Founder, Chairman of the Board and Chief Executive Officer of Onex. Mr. Schwartz was inducted into the Canadian Business Hall of Fame in 2004 and was appointed as an Officer of the Order of Canada in 2006. He is a director of Indigo Books & Music Inc. and an honorary director of The Bank of Nova Scotia. Mr. Schwartz is Vice Chairman of Mount Sinai Hospital and serves as a director, governor or trustee of a number of other non-profit organizations. He holds a Bachelor of Commerce degree and a Bachelor of Laws degree from the University of Manitoba, a Master of Business Administration degree from the Harvard University Graduate School of Business Administration and Honorary Doctorate degrees from six other universities.			
WILLIAM A. ETHERINGTON (LEAD DIRECTOR) (4)(5)	Since September 2007	10,000 83,195	7,812,537
Mr. Etherington, 80, of Toronto, Ontario, retired as Chair of board and director of Celestica Inc. in January 2020, where he had served as a director since 2001. He was the Chairman of the Board of the Canadian Imperial Bank of Commerce until February 2009 and Chairman, President and Chief Executive Officer of IBM World Trade Corporation until 2001. Mr. Etherington holds an Honorary Doctor of Laws degree and Bachelor of Electrical Engineering Science from the University of Western Ontario.			

Name, principal occupation and other major positions with the Corporation	Period during which served as a Director	Beneficial Ownership or Control of Subordinate Voting Shares and Deferred Share Units as of March 21, 2022 (1)(#)	Aggregate Value (C$) of Subordinate Voting Shares and Deferred Share Units as of March 21, 2022 (2)(3)
EWOUT R. HEERSINK	Since May 2010	1,020,231	115,788,008
Mr. Heersink, 71, of Oakville, Ontario, is Vice Chair of the Corporation and has been an executive of Onex since 1983. He served as Onex' Chief Financial Officer through 2008 and has also served as a director of several of Onex' operating companies. Mr. Heersink is a former Member of the Advisory Council of the Queen's School of Business. He holds a Bachelor of Honours Business Administration degree from the Ivey Business School at the University of Western Ontario and a Master of Business Administration degree from Queen's University. Mr. Heersink is also a Chartered Accountant.		360,993	
JOHN B. MCCOY (5)	Since May 2005	20,000	10,236,062
Mr. McCoy, 78, of Columbus, Ohio, retired as Chairman and Chief Executive Officer of Banc One Corporation in December 1999, where he had been Chief Executive Officer since 1984 and Chairman since 1998. Mr. McCoy joined Banc One Corporation in 1970. Mr. McCoy is a director of a number of non-profit institutions. Mr. McCoy holds a Bachelor of Arts degree in History from Williams College and a Master of Business Administration degree in Finance from Stanford University's Graduate School of Business.		102,105	
J. ROBERT S. PRICHARD, O.C., O.ONT. (4) . . .	Since May 1994	20,000	10,436,332
Mr. Prichard, 73, of Toronto, Ontario, is non-executive Chairman of Torys LLP. He is a director of George Weston Ltd., Alamos Gold Inc. and the Chair of the Hospital for Sick Children. Mr. Prichard was the Chairman of Bank of Montreal until May 2020. Previously, Mr. Prichard served as President and Chief Executive Officer of Metrolinx and Torstar Corporation as well as President of the University of Toronto from 1990 to 2000. Mr. Prichard studied economics at Swarthmore College and holds a Master of Business Administration degree from the University of Chicago, a Bachelor of Laws degree from the University of Toronto and a Master of Laws degree from Yale University. He is also an Officer of the Order of Canada, a Member of the Order of Ontario and a Fellow of the Royal Society of Canada and a Fellow of the Institute of Corporate Directors.		104,494	

Name, principal occupation and other major positions with the Corporation	Period during which served as a Director	Beneficial Ownership or Control of Subordinate Voting Shares and Deferred Share Units as of March 21, 2022 (1)(#)	Aggregate Value (C$) of Subordinate Voting Shares and Deferred Share Units as of March 21, 2022 (2)(3)
HEATHER M. REISMAN	Since May 2003	1,282,016 94,336	115,379,588
Ms. Reisman, 73, of Toronto, Ontario, is Chair and Chief Executive Officer of Indigo Books & Music Inc. Prior to co-founding Indigo Books & Music, she held the position of President of Cott Corporation from 1990 to 1992. Ms. Reisman is also a director of Mount Sinai Hospital and a former member of the Bilderberg Meetings Steering Committee. She is a former Governor of the Toronto Stock Exchange and of McGill University. Ms. Reisman was educated at McGill University.			
ARNI C. THORSTEINSON, C.F.A., O.M. (4)	Since March 1987	50,425 134,424	15,495,892
Mr. Thorsteinson, 73, of Winnipeg, Manitoba, is the President of Shelter Canadian Properties Limited, a private Canadian diversified real estate development and management company beneficially owned by the Thorsteinson family. He is also a trustee of Lanesborough Real Estate Investment Trust, a director of Bird Construction Inc. and a member of the board of advisors of Onex Real Estate Partners. He is the current and Founding Chair of the Friends of the Canadian Museum for Human Rights and a Member of the Order of Manitoba. Mr. Thorsteinson holds Bachelor of Commerce (Honours) and Doctor of Laws (Honours) degrees from the University of Manitoba as well as the Chartered Financial Analyst designation.			

Notes:

(1) Indicates the number of Subordinate Voting Shares (top line) and Deferred Share Units of the Corporation (bottom line) beneficially owned, directly or indirectly, or over which control or direction is exercised. The Directors' Deferred Share Unit Plan is described under "Compensation of Directors and Named Executive Officers of the Corporation and its Subsidiaries — Directors".

(2) Indicates the aggregate dollar value of the Subordinate Voting Shares and Deferred Share Units of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised based on the closing price of the Subordinate Voting Shares on the Toronto Stock Exchange on March 21, 2022.

(3) Each of Mss. Huffington and Reisman and Messrs. Etherington, Thorsteinson, Heersink, McCoy and Prichard have also invested, directly or indirectly, alongside the Corporation in certain of the investment funds sponsored or managed by the Corporation or its affiliated entities, their respective operating companies and/or other investee entities of the Corporation.

(4) Member of the Audit and Corporate Governance Committee.

(5) Member of the Compensation and Management Resources Committee.

(6) Mr. Schwartz also holds options to acquire 4,507,000 Subordinate Voting Shares. As of December 31, 2021, Mr. Schwartz held, directly or indirectly, individually or through his personal investment vehicles, investments made alongside the Corporation in certain of the investment funds sponsored or managed by the Corporation or its affiliated entities, their respective operating companies and/or other investee entities of the Corporation representing an aggregate approximate fair market value of $352.9 million.

ATTENDANCE OF DIRECTORS AT BOARD AND COMMITTEE MEETINGS

The following table sets forth the attendance of each nominee at the 2021 Board and Committee meetings.

Director	Board	Compensation and Management Resources Committee	Audit and Corporate Governance Committee	Attendance	
				Board	Committee
William A. Etherington	4 of 4	2 of 2	5 of 5	100%	100%
Mitch Goldhar	4 of 4	—	—	100%	—
Ewout R. Heersink	4 of 4	—	—	100%	—
Arianna Huffington	3 of 4	—	—	75%	—
John B. McCoy	4 of 4	2 of 2	—	100%	100%
J. Robert S. Prichard	4 of 4	—	5 of 5	100%	100%
Heather M. Reisman	3 of 4	—	—	75%	—
Gerald W. Schwartz	4 of 4	—	—	100%	—
Arni C. Thorsteinson	4 of 4	—	5 of 5	100%	100%
Beth A. Wilkinson	4 of 4	—	—	100%	—

CORPORATE GOVERNANCE PRACTICES

The Board and management believe that full compliance with applicable laws and stock exchanges requirements and the implementation of appropriate corporate governance practices are important for the effective management of the Corporation and the creation of value for its shareholders.

The Board, both generally and through the Audit and Corporate Governance Committee, is committed to remaining abreast of the ongoing evolution of corporate governance standards and practices in Canada and more broadly. The Corporation also maintains an active investor engagement program, providing an ongoing opportunity for shareholders to raise corporate governance matters directly with the Corporation. While the Board believes the Corporation's corporate governance practices have been thoughtfully developed so as to be appropriate for the Corporation, it also recognizes that practices can and should evolve over time. The Board will continue to follow market or regulatory initiatives, to remain open to engagement with shareholders and to consider potential changes or refinements when and as appropriate.

Board Composition and Independence

The Corporation has put forth eleven nominees for election to the Board. The following eight nominees are considered independent under relevant securities guidelines and all have confirmed that they have no direct or indirect business or other relationships that could reasonably be expected to interfere with the exercise of independent judgment:

Name of Director	Independent
William A. Etherington	✓
Mitchell Goldhar	✓
Arianna Huffington	✓
John B. McCoy	✓
The Honourable Sarabjit S. Marwah, Senator	✓
J. Robert S. Prichard	✓
Arni C. Thorsteinson	✓
Beth Wilkinson	✓

While Mr. Schwartz, the Chief Executive Officer of the Corporation as well as its founder and controlling shareholder, his spouse, Ms. Reisman, and Mr. Heersink, Vice Chair of the Corporation are not "independent" within the meaning of relevant securities guidelines, the Board believes that their status does not preclude them from exercising independent judgment with a view to the best interests of the Corporation.

None of the Corporation's current and proposed directors are members of the boards of more than two additional public companies. Only one nominee, Ms. Heather M. Reisman, the founder, Chair and Chief Executive Officer of Indigo Books & Music Inc., is a chief executive officer of a public company other than the Corporation. Ms. Reisman does not sit on any other public company boards. There are two circumstances in which two or more of the Corporation's current and proposed directors serve together on the board of any other public company: Ms. Reisman and Messrs. Schwartz and Goldhar are directors of Indigo Books & Music Inc.; and Mr. Prichard and Senator Marwah are directors of George Weston Ltd.

Independent Functioning of the Board

Mr. Schwartz is Chairman of the Board of Directors as well as the founder and Chief Executive Officer of the Corporation. The Board firmly believes that it derives substantial advantages from having Mr. Schwartz in each of those roles and has implemented appropriate protections to ensure its independence is not impaired. Among other protections:

- eight of the Corporation's eleven current and proposed directors are independent;
- the Board selects and appoints a Lead Director to ensure that the Board functions independently of management, particularly in circumstances in which the joint role of the Chairman and Chief Executive Officer may be, or may be perceived to be, in conflict (see also "Formal Board Mandate and Structure – Key Position Descriptions" below);
- each scheduled Board meeting includes an in-camera session in the absence of management and any non-independent directors;
- Mr. Schwartz' performance and compensation are considered in the absence of Mr. Schwartz, Ms. Reisman and Mr. Heersink;
- any director may provide to the Lead Director agenda items for discussion at any meeting and the Lead Director has the right to place items on the Board's agenda in his or her discretion;
- any two directors may convene a meeting of the directors at any time to discuss any matter of concern;
- the two standing committees of the Board are comprised entirely of independent directors;
- in addition to the two standing committees, independent committees may be struck from time to time if necessary or appropriate; and
- each member and committee of the Board is permitted to engage outside advisors at the expense of the Corporation, and with notice to the Lead Director, as appropriate.

The position of Lead Director is currently held by Mr. Etherington. In connection with its regular assessment of Board composition and refreshment generally, the Board appointed Mr. Etherington as Lead Director in 2019 and expects to consider rotation of the role from time to time as appropriate.

Director Education

The Corporation's directors continually seek to improve their knowledge of the Corporation and the opportunities and risks facing its business and have adopted a number of practices designed to achieve that result. Among other things:

- In advance of each regular meeting, the Board receives written information and updates on the activities and performance of the Corporation and each of its investment platforms. The Corporation's executive team is available to answer questions and to receive Board input and guidance.
- Board meetings may include in-depth sessions led by an outside expert or a member of the Corporation's senior management team regarding emerging issues or specific areas of the Corporation's business.
- In addition to its regular quarterly meetings, the Board and certain members of the Corporation's executive management team hold an off-cycle meeting focused exclusively on corporate strategy

matters at least biannually. The most recent such meeting was held in January 2022. These strategy meetings provide a dedicated forum to discuss in detail recent developments in the Corporation's business and its asset management and investment platforms, potential initiatives and strategic plans for further development, and the associated material risks and opportunities. In January 2022, the meeting also included extended sessions in respect of the Corporation's environmental, social and governance program, diversity, equity and inclusion program and information technology and cybersecurity functions with the senior executives leading those functions.

- The Board has generally been invited to participate in an annual two-day off-site session that includes the Onex management team and the senior management of each of its investment platforms. That off-site session allows the Board to stay well-informed as to material developments in the Corporation's business and activities, to understand the key risks and challenges then being faced and to help guide management in continuing to grow the business and address those challenges. The COVID-19 pandemic required the cancellation of this event in 2020 and 2021 but the Corporation intends to resume the event in 2022.
- The Board receives detailed material in advance of any proposed significant transaction by the Corporation or within its core private equity business. If a significant new investment or acquisition proceeds, a detailed discussion of the new business, often including participation by senior executives of that operating company, generally occurs at a subsequent Board meeting.
- Regularly scheduled Board meetings often include an in-depth presentation and question-and-answer session with the senior executives of one of the Corporation's operating company affiliates. The selection of the operating company invited to present depends on various factors, including the size and nature of the investment, the opportunities being considered and challenges being faced by the business, and the time that has elapsed since the Board last interacted with the operating company's executive team. The COVID-19 pandemic impacted the number and cadence of such sessions in 2020 but the Board was pleased to resume a more normal pace in 2021. The nature, extent and pace of interaction with operating company management teams is expected to evolve along with the growth of the Corporation's asset management business in both size and scope.

The directors believe that these practices together with their regular interaction with the Corporation's executive team and other professionals allow them to acquire and maintain a deep understanding of the Corporation, its businesses, and the continually changing risks and opportunities they face.

BOARD COMPOSITION AND DIRECTOR TENURE

The Board has not adopted formal, prescriptive term limits or a mandatory retirement age but rather assesses its size and composition on an ongoing basis. In particular, the Board does not view experience through long tenure as negative but rather believes that it is most often a distinct advantage which needs to be balanced against the potential benefits of renewal according to a predetermined schedule. The nature of the Corporation's asset management and investment business is such that it takes considerable time for a new director to reach the highest levels of full and effective participation. This long learning and integration process arises principally from the Corporation's ongoing evolution as an asset manager and multi-investment platform investor, the fact that such a material portion of the Corporation's capital nonetheless is invested in longer-term private equity, and the nature and variety of the operating businesses within the private equity funds, whether by industry, geography or complexity. Many of these and the Corporation's other investments and initiatives involve substantial commitments of capital and resources and can take considerable time to understand sufficiently in depth to allow a director to add maximum value, particularly as the mix of businesses change through the investment-to-realization cycle. In fact, one of the principal items the Board considers in recruitment is a potential director's willingness to serve for a meaningful period of time.

Notwithstanding the foregoing, the Board is mindful of the benefits of adding new and diverse perspectives. In furtherance of this goal, the Board has nominated The Honourable Sarabjit Marwah, Senator, for election as a new director at the Meeting. Senator Marwah is a member of the Senate of Canada and was the Vice Chair and

Chief Operating Officer of Scotiabank until his retirement in 2014. He is also a Founding Member of the Sikh Foundation of Canada. With the election of Senator Marwah, three of the Corporation's 11 directors will have been elected in the last five years. These directors supplement and replenish the Board after the recent retirements of Serge Gouin (2021), Daniel Casey (2020) and Peter Godsoe (2018), each of whom were among the Board's longest-serving directors. In the coming years, the Board will continue to review and consider the competencies, skills, perspectives and diversity that prospective new directors may contribute, and that the Board as a whole, should possess or that may provide incremental value.

Board and Corporate Diversity

The Board continues to focus on director renewal and diversity in the ordinary course without forcing change in a manner or at a pace it believes may not serve shareholders well. The Board has adopted a thoughtful approach to director turnover while continuously seeking to identify individuals who would make a valuable contribution to the mix of skills, experience, perspectives, diversity and relationships represented on the Board. The Board recognizes that broader perspectives contribute to the Corporation's innovation and growth and that increased diversity is an achievable goal but also with an understanding that diversity can be multi-faceted and complex. Consistent with other public companies and with regulatory and shareholder perspectives and initiatives, the Board focused on gender diversity as the first step toward achieving broader diversity. The Board Diversity and Inclusion Policy targets maintaining minimum 20% female representation on the Board with an increased target of 25% by 2024. Two of the three directors added to the Board most recently were women and three of the ten (or 30%) current directors of the Board are women. The Board also considers the representation of members of minorities, including visible minorities and Indigenous Peoples. As a Sikh Canadian, the proposed election of Senator Marwah furthers the Board's goal of increased diversity beyond gender. The Board supports the Corporation's broader D&I Policy, described below, and intends to take all measures of diversity into consideration as it assesses its composition in the future.

Demographic Diversity

The Corporation values diversity in the workplace, including with respect to gender, age, socioeconomic status, parental status, sexual orientation, culture, race and ethnicity, and religion, among other factors. In 2021, the Corporation adopted a diversity and inclusion policy ("D&I Policy") to strengthen its commitment, approach and responsibility to fostering diverse employee teams in an equitable and inclusive environment. As an investor and asset manager, Onex believes that team members with diverse perspectives operating in an inclusive environment can be a competitive advantage, leading to better business outcomes for the Corporation and its shareholders, investors, clients and stakeholders, including the companies Onex invests in, as well as the communities Onex serves.

The Board has adopted a policy requiring a minimum 20% female representation in senior management positions. Five of sixteen (31%) of those positions are currently held by women. In total, women represent 38% of all Onex employees. The Corporation has also committed to include a meaningful number of women as well as persons with diverse backgrounds on its investment professional and operational teams. Management has actively worked to ensure that a substantial and growing portion of the new investment professional candidate pool are women, that the investment professional team has increased representation of women year over year, and that equal opportunity for career advancement is provided at all levels. Management is pleased by the notable increase in the number of women in its investment teams and of their continued and well-deserved advancement to increasingly senior positions throughout the Corporation.

The Corporation recognizes that diversity is multi-faceted and is not limited solely to gender or any one group of individuals with diverse backgrounds. In 2021, the Corporation established the Diversity & Inclusion Leadership Council ("D&I Council") as a core piece of an enhanced Firm-wide diversity and inclusion framework committed to supporting increased diversity broadly. The D&I Council, co-chaired by the President of Onex and the Corporation's Managing Director – Shareholder Relations and Communication, is comprised of diverse representatives across the Firm, leads the ongoing development, management and communication of Firm-wide diversity and inclusion initiatives as well as driving action and positive change. In its first year, the D&I Council made significant progress against an ambitious agenda. Among other actions and initiatives, the Corporation:

- launched a number of employee resource groups comprised of employees who join together based on shared life experiences, characteristics and common interests to support the broader D&I goals and cultivate opportunities for professional development in the workplace;
- piloted a diversity and inclusion education program designed to help improve team members' understanding of equity and inclusion dynamics, as well as how to understand and disrupt implicit bias;
- invested in talent acquisition resources to enhance candidate networking efforts aimed at increasing diverse representation in candidate pools;
- pursued various partnerships with like-minded external organizations in support of diversity and inclusion efforts, including:
  - satisfying several key criteria to become a signatory to the Institutional Limited Partners Association's (ILPA) Diversity in Action initiative;
  - joining Out Investors, a global organization designed to make the direct investing industry more inclusive through a dedicated network operating in major financial centers which offers networking opportunities and resources for member organizations and their LGBT+ employees;
  - acknowledging the importance and ramifications of the matters commemorated during the National Indigenous People's History Month in Canada and on the Juneteenth National Independence Day in the United States; and
  - continuing its commitment to the BlackNorth Initiative, a collective of more than 200 of Canada's largest businesses committing to specific actions and targets designed to end anti-Black systemic racism and to create opportunities for the Black, Indigenous Peoples and people of colour communities and other racialized or marginalized groups; and
- completed a detailed diversity and inclusion survey seeking employee input on D&I initiatives as well as employees' perspective on the progress being made. The results of the 2021 employee D&I survey are being considered by the D&I Council to set priorities and action plans as well as to monitor progress over time.

In consultation with the D&I Council, the Corporation has established a number of key D&I priorities for the coming years: to increase representation from individuals with diverse backgrounds; to improve inclusion and engagement for all team members; and to support the equitable development and advancement of individuals with diverse backgrounds. These near-term priorities are backed by action plans which include integrating D&I metrics into the formal performance review process, implementing mandatory D&I training for all employees, developing transparent career frameworks across all teams, enhancing talent acquisition practices to broaden and diversify the candidate pool and empowering employee resource groups to drive engagement, education and awareness throughout the Firm.

Skills & Experience Diversity

The Corporation's directors have diverse business and professional backgrounds and a wide range of public and private company experience. Consistent with the view that the Board should be comprised of directors with a broad range of experience and expertise, the Board has developed a skills and experience matrix to identify those areas which contribute to the Board's ability to carry out its mandate effectively.

Director; Specific Industry Skills & Experience	Location	CEO Experience	Finance & Accounting	Capital Markets	Corporate Governance	Risk Management & Compliance	Governmental, Public-Policy, Intergovernmental Affairs	Human Resources & Compensation	Information Technology & Cybersecurity	International Business
William A. Etherington financial services and insurance; business services; industrial operations and manufacturing; marketing; technology and new media; operational restructuring	Canada	✓	✓		✓	✓		✓	✓	✓
Mitchell Goldhar real estate development; retail; residential; e-commerce	Canada	✓	✓				✓			✓
Ewout R. Heersink auditing; consulting; finance leadership	Canada		✓	✓	✓	✓		✓		
Arianna Huffington media and communications	U.S.	✓								✓
John B. McCoy financial services	U.S.	✓	✓	✓	✓	✓	✓	✓	✓	✓
The Honourable Sarabjit S. Marwah, Senator financial services; finance leadership; banking	Canada		✓	✓	✓	✓	✓	✓	✓	
J. Robert S. Prichard media and communications; technology and new media; financial services and insurance; law; complex and regulated industries	Canada	✓	✓		✓	✓	✓	✓		
Heather M. Reisman retail; e-commerce; marketing	Canada	✓	✓		✓		✓	✓	✓	
Gerald W. Schwartz asset management and investment; capital markets; business services; industrial operations and manufacturing; health-care; aerospace; real estate development; building products; consumer and retail; financial restructuring; operational restructuring	Canada	✓	✓	✓	✓	✓	✓	✓		✓
Arni C. Thorsteinson real estate; finance; investment banking; corporate governance; hospitality	Canada	✓	✓	✓	✓	✓	✓	✓		
Beth A. Wilkinson legal; complex and regulated industries; financial services; media rights; governmental and regulatory investigations; government contracts	U.S.	✓			✓	✓	✓	✓		

Director Recruitment, Nomination and Performance Review

The Board is maintained at an appropriate size to facilitate effective decision-making. The entire Board, which is 70% independent, acts as a nominating committee in identifying and recruiting new members. The Board considers the competencies, skills, diversity and perspectives that the Board, as a whole, should possess or that may provide incremental value and evaluates each current Board member and prospective new directors against that framework. As discussed above, the Board has made substantial and tangible progress in Board refreshment in recent years with the retirement of three long-serving directors in 2021, 2020 and 2018 and the nomination and election of three new directors in 2022, 2018 and 2017.

It is the responsibility of the Audit and Corporate Governance Committee to oversee the orientation of new directors. Orientation is tailored to the particular background of the new director and would typically include a review of the Board's mandate and policies, the mandates of Board committees and past Board materials, a discussion of expected time commitment and participation, exposure to the Corporation's senior management team and, over time, interaction with key management of the Corporation's various investment platforms and significant operating companies. Director orientation may also include detailed sessions with one or more members of the Corporation's executive team.

Each Board member completes an annual corporate governance questionnaire to assist in assessing the effectiveness of the Board and its committees, as well as formal peer reviews to evaluate the contribution and performance of each individual director. The questionnaire addresses Board and committee structure and composition, Board leadership, strategic planning, risk management, operational performance and Board processes and effectiveness as well as asking directors not only to comment on the Board's current structure and practices but also to propose improvements. The results are discussed in depth by the Audit and Corporate Governance Committee and any recommendations or material observations are presented to the full Board.

Shareholder Engagement

Onex is proactive in maintaining a high-level of shareholder engagement and continually increases efforts to create constructive dialogue with its shareholders and the investing community. The Corporation's Shareholder Relations team regularly interacts with public investors to promote open dialogue, promptly respond to questions, and receive feedback. In addition, the Shareholder Relations team connects shareholders to certain members of the Corporation's senior leadership team. These interactions include in-person and virtual meetings, quarterly earnings conference calls and webcasts, Onex-hosted investor days and presentations, as well as the Meeting.

During meetings and interactions with Onex management, shareholders are free to raise topics related to all aspects of Onex' business, management and corporate governance. Increasingly, shareholders are interested in topics related to ESG, specifically climate management and diversity and inclusion. If appropriate, Onex' Head of ESG joins these discussions.

Onex has continued to be accessible to all shareholders throughout the COVID-19 pandemic. In October 2021, Onex hosted a virtual Investor Day featuring presentations from its senior leadership team, who provided updates on business plans and Onex' growth strategy. The event included a question and answer period with shareholders and sell-side analysts. A replay of the broadcast is available on Onex' website.

Excluding Subordinate Voting Shares held by Onex' directors and management (17%) and those shareholders the Corporation is unable to identify based upon the best information available (9%), Onex has interacted with shareholders representing more than 57% of the Subordinate Voting Shares in the past 12 months.

Environmental, Social and Governance

Onex views sound governance and good environmental and social practices as important aspects of responsible and successful investing. Onex has been a responsible investor for more than 38 years and manages and invests capital on behalf of itself and its shareholders, investors and employees.

The Board has been involved in the development and review of the Corporation's approach to Environmental, Social and Governance ("ESG") matters and receives regular updates from management on the progress of ESG priorities, initiatives and action plans. In 2021, Onex made substantial advancements in its approach to ESG. Onex appointed its first Head of ESG with a mandate to grow, expand and improve the Corporation's approach to ESG. The Head of ESG is supported by a dedicated ESG Committee which includes senior investment and corporate professionals from across the firm, including individuals representing each investment platform and members of key corporate functions, and helps to guide Onex' approach to ESG issues.

In consultation with the Board, management updated and enhanced Onex' Responsible Investment policy in 2021. The policy is available at www.onex.com. Onex also became a signatory to the United Nations Principles for Responsible Investment ("PRI") in 2021. This commitment to PRI builds upon the Corporation's 2019 Sustainability Accounting Standards Board ("SASB") Alliance Membership and its prior adoption of the American Investment Council Guidelines for Responsible Investing. The Board received a detailed presentation from the Head of ESG at its January 2022 strategy meeting regarding the current state of the Corporation's ESG program, the advancements made in 2021, initiatives underway or planned for the coming years and specific steps and actions to be taken in connection therewith.

Onex believes that integrating ESG considerations into its investment decisions as an asset manager and supporting ESG initiatives within its private equity operating companies can have a direct and positive influence in creating long-term value and mitigating risk for its shareholders. Over its long investing history, Onex has implicitly considered ESG factors in past investment decisions and has always screened investments for their social acceptability. However, management believes that ESG risks and opportunities need to be formally acknowledged and systemically integrated to drive responsible and successful investment decisions. Systematically considering ESG risks and opportunities as part of the investment decision-making process allows our investment teams to understand how those risks and opportunities may impact investment value over near, medium and long-term time horizons. The Corporation also recognizes that formal integration of ESG factors is becoming increasingly important to shareholders, clients, employees, and limited partners. Each investment platform includes formal ESG assessments in their investment decision-making process, utilizing relevant guidance from the SASB, the Task Force on Climate-Related Financial Disclosure (“TCFD”) and MSCI ESG Research and Ratings as a starting point for analysis, in advance of more detailed ESG diligence investigations and assessments.

In its private equity investment platform, Onex requires each of its operating companies to adopt an environmental policy that supports sustainable development and environmental sensitivity and provides for the proactive protection of the environment, along with practices to minimize environmental risk. Operating companies must also adopt policies that reflect the core principles of good governance as reflected in the Corporation’s robust Whistleblower, Code of Business Conduct & Ethics, Anti-Bribery & Corruption and Non-Discrimination & Anti-Harassment policies, detailed anti-money laundering and know-your-customer processes, and a cybersecurity program that includes a formal policy and ongoing employee training and testing.

Onex is in the process of selecting an ESG data collection platform which will allow the Corporation to better track and monitor ESG-related key performance indicators from its private equity operating companies. The Corporation has agreed to participate in the ESG Data Convergence Project, an alternative investment industry initiative aimed at standardizing ESG data and metrics for fund managers and investors. Onex is also evaluating tools to allow it to measure the carbon emissions of its operating companies as well as the financed emissions associated with other investment platforms, and it is in the process of quantifying the carbon emissions associated with its own operations. Onex will be further developing its climate strategy to expand its understanding of climate risks and opportunities across its investment platforms and to enable future TCFD-aligned reporting. These initiatives will also allow Onex to develop more robust ESG and climate-related reporting for shareholders and investors.

In addition to its approach to ESG as an investor and asset manager, Onex acknowledges the need to manage the ESG issues relevant to its own operations. Onex is focused on promoting an equal, diverse and inclusive work environment through the stewardship of the D&I Council which has made significant progress as described under “Demographic Diversity” above. The Corporation also promotes adherence to the highest level of ethical conduct, fairness and transparency for all its employees and business activities. Onex supports a charitable giving program that includes substantial corporate giving and encourages and incentivizes charitable giving and activities by employees.

CODE OF BUSINESS CONDUCT AND ETHICS

The Board has adopted a Code of Business Conduct and Ethics (the “Code”) to reflect the Corporation’s commitment to a culture of honesty, integrity and accountability and to outline the basic principles and policies with which all directors, officers and employees of Onex are expected to comply. A copy of the Code is available on written request made to the Corporation at 161 Bay Street, 49th Floor, Box 700, Toronto, Ontario M5J 2S1, Attention: Managing Director, General Counsel and Secretary.

The Board is responsible for monitoring compliance with the Code. This monitoring is achieved through systems and processes implemented by management that are designed to result in wide dissemination of the Code, to encourage compliance with its provisions, to encourage consultation with appropriate members of management to the extent that guidance is necessary or desirable, and to facilitate the reporting of actual or suspected breaches. Any breach or concern would be investigated by management as appropriate and, depending upon the circumstances, either dealt with by management with the results reported to the Board or referred to the Board for further action. The Code specifies that no individual who reports a violation or potential violation or who cooperates in the investigation of a violation or potential violation will be subject to harassment, discipline or retaliation as a result of such report. The chief executive officer of each of Onex' operating companies is required to certify annually that: (i) he or she has caused the Code (or a comparable code of business conduct and ethics adopted by the Board of the particular operating company) to be disseminated to all employees of the operating company; and (ii) he or she is not aware of any instance of non-compliance or breach of the Code.

Director Share Ownership Requirement

In order to promote alignment of the interests of directors with shareholders of the Corporation, the Board requires each non-management director joining the Board after 2013 to hold in shares and/or Deferred Share Units of the Corporation in an amount equal to five times the current $240,000 annual retainer. Newly elected directors have up to six years to achieve the required minimum ownership level. The current holdings of each director are set forth in this Circular under "Election of Directors". Almost all members of the Board are also meaningfully invested directly in the managed funds that collectively comprise the business of the Corporation. As a result, directors are well aligned with the interests of public shareholders.

FORMAL BOARD MANDATE AND STRUCTURE

Mandate of the Board of Directors

The Board has adopted a written mandate setting out its responsibilities for the stewardship of the Corporation. The mandate of the Board is to oversee the management of the business of the Corporation by the executive officers and managers of the Corporation and includes the following duties and responsibilities:

- approving the Corporation's long-term strategy and monitoring its overall performance against that strategy;
- reviewing annually the strategic plan, including opportunities and risks, and approving significant new initiatives;
- assessing the principal risks inherent in the business activities of the Corporation specifically including ESG and cybersecurity risks, among others, and the mechanisms available to manage and monitor those risks;
- reviewing succession planning and the appointment of senior executives of the Corporation;
- overseeing the development and implementation of the Corporation's compensation policies and programs;
- approving and monitoring compliance with the Corporation's Code of Business Conduct and Ethics;
- satisfying itself as to the integrity of the Chief Executive Officer and other senior executives and that they foster a culture of integrity within the Corporation;
- reviewing financial performance and reporting and the integrity of the Corporation's internal control and management information systems; and
- reviewing and monitoring the Corporation's adherence to high standards of corporate governance and openness to shareholder feedback.

Key Position Descriptions

The broad mandate of the Board, and its duties and responsibilities as described above, serve to define the relationship between the Board and management. They work together in a collegial manner without an excessively structured or hierarchical format, consistent with the highly entrepreneurial nature of the Corporation. The following are position descriptions for the Chairman and the Lead Director:

Chairman

The Chairman is to manage the affairs of the Board, ensuring the Board meets its obligations and responsibilities and functions effectively, and to see that the interests of the shareholders are achieved. In that capacity he ensures the Board has adequate resources and the full, timely and relevant information required to enable responsible decision-making. The Chairman provides the principal point of contact between management and the Board and facilitates effective interaction between Board members and management.

Lead Director

The Lead Director is appointed to facilitate the functioning of the Board independently of management, to ensure directors have an independent contact on matters of concern to them and to ensure the Board's agenda will enable it to successfully carry out its duties. In particular, the Lead Director will provide leadership to the Board if circumstances arose in which the joint role of the Chairman and Chief Executive Officer may be, or may be perceived to be, in conflict and chairs those Board sessions that are attended only by independent directors. To carry out his duties the Lead Director, who is also a member of the Corporation's Audit and Corporate Governance Committee, is knowledgeable on corporate governance practices and developments and is able to provide the necessary guidance. The Lead Director also leads the regular and ongoing assessment of the effectiveness of individual Board members. The position of Lead Director is currently held by Mr. Etherington. In connection with its regular assessment of Board composition and refreshment generally, the Board expects to consider rotation of the role from time to time as appropriate.

Committees of the Board

The Board has established two standing committees, the Audit and Corporate Governance Committee and Compensation and Management Resources Committee, the responsibilities of each of which are summarized below. Other committees may be appointed from time to time if required. The proceedings of committees are reviewed by, and their recommendations are brought for consideration to, the full Board. The Board considers modifications to committee responsibilities and procedures as regulatory expectations and best practices and processes continue to evolve and as and when the Canadian securities regulators put forth proposed changes to applicable rules and guidelines.

Compensation and Management Resources Committee

The Compensation and Management Resources Committee is currently comprised of two members, Messrs. McCoy (Chair) and Etherington, each of whom is an independent and unrelated director within the meaning of applicable securities guidelines. The Board recognizes the importance of appointing to the Committee individuals whose business background and other professional activities would allow them to be thoughtful and knowledgeable stewards of the Corporation's compensation philosophy and practices. In addition to compensation matters generally, the Board believes it is important that the Committee members understand the interaction of compensation and risk management considerations and also the manner in which compensation practices for an asset management and private equity business would appropriately differ from those of a conventional operating company. The Board notes that in addition to their substantial and varied business and professional backgrounds generally, Messrs. Etherington and McCoy have served on the compensation committees of the boards of other prominent international businesses. Accordingly, the Board believes that the Committee as currently comprised is highly qualified to develop and oversee the implementation of appropriate and effective compensation practices at the Corporation.

The Committee establishes and administers the compensation policies and remuneration levels for the executive officers and managers of the Corporation and reviews and approves the Corporation's disclosure with respect thereto (see "Compensation Discussion and Analysis" below). In addition to its responsibilities in respect of compensation matters, the Committee has principal responsibility for the oversight of certain non-compensatory plans and programs under which members of senior management and investment professionals are required to invest in, or acquire other contingent entitlements in respect of, acquisition and investment transactions undertaken by the Corporation. These plans and programs are outlined under "Management Alignment of Interests with Shareholders" of this Circular and are similar in substance to those in place at other leading private equity firms. The Committee's recommendations are submitted to and reviewed by the Board.

Audit and Corporate Governance Committee

The Audit and Corporate Governance Committee is currently comprised of three directors, Messrs. Thorsteinson (Chair), Etherington and Prichard. Mr. Gouin retired as a member of the Committee and the Board as of the 2021 Meeting. Each member of the Committee is an independent director pursuant to the applicable guidelines and the heightened independence requirements applicable to audit committee members under Canadian securities laws. The Committee reviews the financial qualifications of its members and has determined that each member of the Committee is financially literate and that at least one has the experience level of a financial expert, all as contemplated by applicable law. Its responsibilities include the review and assessment of the Corporation's external audit plan, accounting policies, internal controls, access granted to the Corporation's records and co-operation by management in the audit process, accounting systems, financial risk management, adequacy of insurance coverage, and quarterly and annual financial reporting. The Committee reviews the annual and quarterly consolidated financial statements, Management's Discussion and Analysis of the financial results, the external auditor's report and press releases on earnings, reports its findings to the Board of Directors for consideration by the Board when approving the financial statements for issuance or, as appropriate, approves the issuance of quarterly financial statements pursuant to the authority delegated to it by the Board. The Committee meets without the presence of management, except at the Committee's invitation, and has direct access to representatives of the auditors. The Committee is responsible for assessing the independence of the auditors and sets the criteria for non-audit services the external auditor is prohibited from providing. The Committee also has a broad responsibility for reviewing and monitoring the Corporation's corporate governance policies and related disclosures. In addition, the Committee annually reviews the adequacy and forms of compensation for directors. This review is completed with reference periodically to outside surveys of directors' compensation for corporations of similar size and complexity. Finally, the Committee monitors compliance with the Corporation's Code of Business Conduct and Ethics. The Committee's formal charter is set forth at Appendix A of the Corporation's Annual Information Form dated February 25, 2022.

VOTING MATTER #4:

ADVISORY RESOLUTION ON APPROACH TO EXECUTIVE COMPENSATION (SAY-ON-PAY)

The Corporation's compensation programs are designed to pay for performance and to align the interests of the Corporation's executives with the long-term interests of shareholders. The Board believes that shareholders should have the opportunity to fully understand the objectives, philosophy and principles underpinning compensation decisions and to participate in an advisory vote on the Board's approach to executive compensation. A "say-on-pay" advisory vote was conducted at the Corporation's most recent annual meeting, with approximately 95% of votes cast in support of the Corporation's approach to compensation.

The Board will again put forth the following advisory resolution giving shareholders an opportunity to express their support for the Corporation's approach to executive compensation as described under "Compensation Discussion and Analysis" below (the "Say-on-Pay Resolution"):

> "**BE IT RESOLVED**, on an advisory basis and without diminishing the role and responsibilities of the Board of Directors, that the shareholders of the Corporation accept the approach to executive compensation disclosed in the management information circular delivered in advance of the annual meeting of the shareholders of the Corporation held on May 12, 2022."

While the results of an advisory resolution are not binding on the Board, the Compensation and Management Resources Committee will consider those results when reviewing the Corporation's executive compensation programs in the future and may make recommendations to the Board. The Corporation will publicly disclose the Say-on-Pay Resolution voting results following the Meeting. As more fully discussed in the "Compensation Discussion and Analysis" section of the Corporation's 2020 management information circular dated May 19, 2020 (the "2020 Circular" which is available at www.sedar.com), the Corporation's approach to executive compensation and investment programs was thoroughly considered in 2019 and certain material changes were implemented both at 2019 year-end and in January 2020. Accordingly, shareholders considering the Corporation's approach to executive compensation and voting on the above Say-on-Pay Resolution are strongly encouraged to thoughtfully review the Compensation Discussion and Analysis below and, to the extent they seek further details, the 2020 Circular.

The Board and management recommend that the shareholders vote **FOR** the approval of the foregoing Say-on-Pay Resolution. Unless contrary instructions are given, the persons named on the proxy form or on the voting instruction form will vote FOR the approval of the Say-on-Pay Resolution.

COMPENSATION DISCUSSION AND ANALYSIS

One of the principal responsibilities of the Compensation and Management Resources Committee (the "Committee") is to establish, administer and/or oversee the compensation, incentive and investment policies and programs for the Corporation's executives and senior management. The Committee's decisions and recommendations are communicated to the Board and, with respect to the Chief Executive Officer, are submitted for Board approval. Mr. Schwartz, Ms. Reisman and Mr. Heersink are not present for and do not participate in the Board's deliberations concerning Mr. Schwartz' compensation. The discussion below is generally as at and to December 31, 2021 unless otherwise indicated.

Onex and Executive Team Evolution

The Corporation's Business

Onex was founded in Toronto in 1984 to make private equity investments in companies located primarily in North America. Since that time, the Corporation has grown its investment activities and has and is continuing to evolve into a leading asset management business, managing and investing capital across private equity, public and private credit strategies and wealth management investment platforms on behalf of shareholders, institutional investors and high net worth private clients. As the Corporation continues to expand and shift its business activities to an asset manager for third-party investors as well as continuing its success as an investor of its shareholder capital, the Committee and management have committed to reviewing the Corporation's compensation programs to better align with areas of growth and performance in both the asset management and investment segments of the business.

As a long-term investor and growing asset manager, the Corporation has:

- in its private equity business:
  - invested in and built more than 115 operating businesses with an aggregate transaction value of $103 billion over more than 38 years;
  - since inception, generated a gross multiple of capital invested of 2.5 times, resulting in a 27% gross internal rate of return on realized, substantially realized and publicly traded investments;
  - sponsored nine private equity funds across two investment platforms, Onex Partners (starting in 2003) and ONCAP (starting in 1999). Within those platforms, as at December 31, 2021, the Corporation managed and invested an aggregate of $15.9 billion of third-party capital and $6.0 billion of Onex' own invested and committed capital (in each case including co-investment); and

  - grown its private equity team to more than 80 investment professionals in Toronto, New York and London;

- in its credit strategies business:
  - launched and grown a private and public credit strategies investment platform in 2007 that, as at December 31, 2021 managed approximately $25.3 billion of alternative credit assets, including $978 million of Onex invested and committed capital, primarily in non-investment grade debt through collateralized loan obligations, middle-market lending and other credit strategies;
  - completed the 2020 strategic acquisition of Falcon Investment Advisors, now referred to as Onex Falcon, a leading U.S. private credit manager employing opportunistic and private credit investment strategies primarily in tradeable mezzanine and other direct lending investments for U.S. middle market companies;
  - integrated the Gluskin Sheff public credit and equities investment strategies team with the Onex Credit private credit investment strategies team to consolidate and facilitate an expanded resource of shared market information for public and private market investment professionals; and
  - expanded the private and public credit and equities investment strategies team to approximately 90 investment professionals in Toronto, New York, New Jersey, Boston and London; and

- in its wealth management business:
  - completed the 2019 strategic acquisition of Gluskin Sheff, a preeminent Canadian wealth management firm serving high net worth families and institutional investors and, as at December 31, 2021, managed approximately $7.1 billion (C$9.0 billion) of client capital across a number of public and private credit and equity strategies;
  - significantly expanded its wealth management offerings to include financial planning, charitable foundations, insurance, tax and estate planning, among other value-add, complementary services;
  - made available to qualified Gluskin Sheff clients appropriate private equity and private credit investment strategies and opportunities exclusively managed by Onex Partners, Onex Credit and Onex Falcon, attracting total investments of approximately $1.4 billion as at December 31, 2021; and
  - expanded the client wealth management and wealth planning teams to more than 30 professionals.

Onex Leadership Changes and Strategic Developments

In 2020, Robert Le Blanc was appointed President of Onex, reporting to Mr. Schwartz as CEO. Mr. Le Blanc's mandate as President of Onex includes overseeing all of Onex' business units while also serving as the Head of Onex Partners, the firm's flagship private equity investment strategy. As Onex continues to expand into complementary, accretive investment strategies, Mr. Le Blanc also focuses on ensuring greater efficiency in the allocation of human and financial capital to drive Onex' growth as a leading asset manager alongside of its core investing activities.

As a large, evolving and increasingly diversified asset manager and investor, it is critically important that the Corporation have talented, experienced and motivated leaders in each of its investment platforms. The senior executive leadership of the Corporation's principal business lines includes: (i) Mr. Le Blanc as Head of Onex Partners in addition to his role as the President of Onex; (ii) Michael Lay and Gregory Baylin as Managing Partners and Co-Heads of ONCAP; and (iii) David Kelly as Head of Gluskin Sheff. Mr. Kelly joined as Head of Gluskin Sheff in January 2022 following the appointment of Jeff Moody, Chief Executive Officer of Gluskin Sheff since 2017, to Vice Chair of Gluskin Sheff. The Head of Onex Credit, Jason New, recently left Onex and an executive search is underway to fill the role.

ONEX' COMPENSATION POLICY AND PRACTICES

General

The Corporation has always maintained an approach to compensation that has among its principal tenets the desire to attract, motivate and retain top quality professionals, to align their interests with those of the Corporation and its shareholders over the long term and to emphasize and reward the long-term creation of tangible value for Onex and its shareholders. The importance of delivering on the Corporation's core business objective of creating demonstrable value is woven through the Corporation's compensation philosophy, which seeks to drive performance across its businesses and ensure that total compensation and other opportunities are aligned with an individual's particular role and responsibilities and contributions to the Corporation. While the methods by which the Corporation achieves these goals, and the particulars of its compensation, incentive and investment programs, may be different among the corporate executives and the leaders of each of its principal business units, the fundamental compensation philosophy of driving performance and value contributions remains the same throughout the Corporation.

Elements of Compensation

Compensation of the Corporation's executives generally consists of three principal components – base salary, variable cash compensation and long-term performance-based compensation, which is typically equity or equity-linked. Each component has a different purpose but all work together to reward and incentivize individual, corporate and, where relevant, business line performance.

Base Salary

The Corporation has adopted the conventional compensation structure used throughout the alternative investment industry, in which salaries of executives, managers and investment professionals are set at relatively modest levels to provide a baseline amount of current cash income and are intended to comprise a relatively small portion of aggregate annual compensation.

Variable Cash Compensation (Bonuses)

The second component of executive compensation is the variable cash compensation opportunity.

Variable cash compensation of executives (other than those whose roles are specific to a single investment platform) principally reflect their contributions to the Corporation's success across its multiple investment platforms and asset management activities, the strategic leadership of the firm and the executive's efforts and successes in the key workstreams in which they have been involved. The variable cash compensation of executives dedicated to a single investment platform or activity largely reflect the performance of that platform or activity and the individual's role in respect thereof. Given the historical nature of the Corporation's investment business activities and consistent with industry peers who primarily operate discretionary compensation award models as appropriate and necessary, the Corporation does not believe that there is a particular mathematical formula to determine variable cash compensation that could be appropriately adopted at this stage of its strategic development. However, as the Corporation continues its evolution into a leading asset manager, the Committee and management recognize the importance of including quantitative performance measurement in their compensation decisions and intend to increasingly incorporate the use of objective key performance indicators and metrics used by comparable asset managers as factors in thoughtfully-developed compensation awards. For instance, a variable cash compensation award to an executive will involve a review of the actual and anticipated performance of such executive, the performance of the Corporation or the principal business unit which the executive serves or has responsibility for, the executive's contribution to the investment returns and/or performance and management fees generated on assets under management, and ultimately the creation of shareholder value for the Corporation. Further, the Corporation will consider an executive's prior year variable cash compensation award, the appropriate balance between short-term and long-term performance incentives and the variable cash compensation awards generally paid in the alternative investment industry and by other similarly performing asset managers based on objective key performance indicators. The Corporation will consider opportunities to include specific quantitative targets and measures in its compensation decisions as its business and compensation programs evolve.

Equity Compensation (Performance-Based Options)

The third component of executive compensation typically takes the form of options to acquire Onex shares. Equity-based compensation is viewed by the Board as an effective means of incentivizing executives and other key professionals to deliver value over the longer term and of aligning the interests of the Corporation's management directly with those of shareholders. Options issued under the Corporation's stock option plan have several features that differentiate them from the options typically issued by other public companies.

- *Performance Threshold.* Options are exercisable only if the share price is at least 25% above the trading price at the date the options were issued. The Board and the Committee believe this performance threshold feature significantly differentiates the Corporation's option plan from the plans of most public companies. The Corporation's executives can exercise options and realize value only if the Corporation has delivered substantial value to shareholders as demonstrated by a corresponding 25% increase in the Onex share price.
- *Long Vesting Period.* The emphasis on long-term value creation is bolstered by a vesting period (five years) that is longer than a standard option plan vesting period (four years) and meaningfully longer than the typical vesting periods of the performance stock units and restricted stock units that many other issuers use as their principal form of long-term equity compensation (three years).
- *Long Term to Expiry.* Options issued under the Corporation's stock option plan typically have a ten-year term. The Board and Committee believe that the long period of exercisability directly incentivizes employees to continue to create value well after their options have vested and, importantly, over the relatively long hold and value creation period of most private equity investments. Other than in the event of death or the retirement of a long-serving executive, the exercise period will terminate 90 days after the departure of an optionholder from the Corporation, ensuring that the holder benefits from value created during his or her tenure but not from the subsequent efforts of others.

Accordingly, the structure of the Corporation's option plan is consistent with the overall and continuing success of the Corporation and the best interests of its public shareholders over the longer term and, in the Committee's view, is particularly favourable to shareholders relative to market norms. The Corporation believes the appropriate combination of variable cash compensation, performance-based equity compensation and non-compensatory investment programs encourages executives and investment professionals to focus on improving the performance of the Corporation's investments and share price as well as the overall performance of the business and interests of shareholders.

Non-Compensatory Performance-Based Programs (Carried Interest)

While not compensatory in nature, a substantial part of the financial opportunity available to the leadership and senior investment professionals in its private equity and credit strategies investment platforms is generally realized through programs requiring the investment of personal, at-risk capital, carrying the risk of loss for poor performance and affording the potential for reward for positive performance. See "Management Alignment of Interests with Shareholders" below.

Evaluating Performance

The Corporation's compensation philosophy and the assessment of corporate and individual performance involve both objective and subjective considerations. The Compensation and Management Resources Committee does not rely solely upon specific financial statements, share price or other similar fixed quantitative measures to establish precise compensation levels and does not believe that a formulaic approach to compensation is realistic or appropriate given the nature of the Corporation's business, the substantial and inevitable changes in the mix of the Corporation's activities and investments and the performance of those investments year-to-year, and the material likelihood that inappropriate compensation decisions would result from the application of specific quantitative measures. While the Committee recognizes the importance of quantitative performance measurements in its decisions and has increasingly incorporated the use of objective key performance indicators and metrics, it believes that at the current stage of the Corporation's strategic development a rigid formulaic approach to compensation would be inconsistent with accepted discretionary compensation practice within its industry and would negatively affect the Corporation's ability to attract and retain top talent.

Accordingly, the Committee periodically receives comparative compensation data and analysis from independent financial services industry experts and also conducts thorough qualitative reviews with respect to all of the Corporation's executives, senior management and certain other professionals annually. Corporate and individual performance are considered against key indicators relevant to the Corporation's investing and asset management business, including acquisitions completed, investment realizations, performance of the Corporation's operating companies and investment platforms, fundraising and capital development activity and changes in the Corporation's share price during the year, among other factors. In assessing individual performance, the Committee considers matters such as demonstrated leadership ability and the management of major projects, the relatively small number of executives and other professionals charged with executing the Corporation's long-term strategic objectives, and the role and contribution of each of those executives and professionals to the success of the firm.

Independent Compensation Consultant

Onex benchmarks compensation across all investment platforms (Private Equity, Credit and Wealth Management) and its firm-wide Client & Product Solutions and Corporate groups on an ongoing basis. This ensures all compensation decision-making (including budget planning and hiring, as well as annual compensation matters) is guided by a current understanding of market competitive and fair pay practices. Onex engages leading, third-party compensation experts, including McLagan (Aon Hewitt), Johnson Associates and Willis Towers Watson, to provide market compensation data and consulting services to support its ongoing benchmarking efforts. This broad approach ensures all positions are benchmarked with the external market accurately, considering the appropriate competitor set by each business platform and geographical region.

On a bi-annual basis the Committee is provided with a comparative marketplace study of compensation to assist it in evaluating the Corporation's compensation program and gathering the information and advice necessary to allow it to make thoughtful and appropriate compensation decisions. The report considered by the Committee in its most recent deliberations included a summary of market benchmarking across all of Onex' investment platforms and groups and incorporated data from all three of the expert firms named above to ensure it captured all relevant competitor sets and geographies.

Compensation and benchmarking information for firms and executives materially similar to the Corporation is extremely difficult to obtain. The vast majority of private equity and asset management firms the size, scope, activities and talent base of which are most closely comparable to those of the Corporation are not publicly-traded nor based in Canada, such that their compensation information is not available to the Corporation or publicly. The expert benchmarking available from the above-named expert firms reflects information gathered from their clients on a private and confidential basis. The Committee believes that while most Canadian public companies can identify a group of publicly-traded Canadian peers against which specific compensation data can be compared, such an approach is not feasible for the Corporation and would result in inferior compensation decisions. Rather, the Committee believes that an informed assessment of the size, scope and competitiveness of its executive and investment professional compensation program necessarily requires access to confidential information and that it is not only appropriate but necessary to rely meaningfully on the work of well-positioned experts.

Ongoing Assessment of Approach to Compensation

The business of the Corporation as a leading asset manager has been growing and rapidly diversifying in the last several years and continues to evolve. The Corporation intends to regularly re-assess its perspective on compensation benchmarking against other Canadian public companies together with consideration of private, industry-specific compensation information and advice. The Committee and the Board believe that the current approach to compensation analysis continues to be most appropriate for the nature and mix of its business at this time.

Consideration and Mitigation of Risk in Compensation Decisions

General

The Committee believes it is essential that the Corporation's executives and employees be highly focused on the management of risk and the long-term best interests of the Corporation and not financially motivated to pursue short-term successes at the expense of those long-term interests. This belief drives the Corporation's approach not only in respect of compensation matters but also in respect of the non-compensatory investment and reinvestment plans and programs described later in this Circular. With respect to compensation:

- *Variable Cash Compensation (Bonuses).* A discussion of risk in the context of bonus compensation typically relates to such matters as whether quotas, targets or formulas used to drive bonus opportunities encourage excessive risk-taking or malfeasance, or whether bonuses are awarded based on activities undertaken in the current period but sized in anticipation of future success that may ultimately not be achieved, for example. While all of the Corporation's employees, including its executives, are required to set goals and performance is assessed in the context of those goals, the Corporation does not award executive bonuses based on targets, quotas, forward-looking financial or other metrics or expectations, nor does it specifically reward financial or operational achievements in a year that may reasonably be expected to reverse in a future period. The Corporation's discretionary and measured approach to variable cash compensation does not, in the view of the Committee, lend itself to excessive risk-taking. Further, the Corporation has implemented a deferred payment program in certain parts of its business, requiring participants to defer a portion of their annual bonuses for investment or deemed investment in the Corporation's Subordinate Voting Shares and/or private funds. Deferred amounts vest over three years and the amounts ultimately received by participants reflect the performance of the shares or relevant funds during the deferral period. The alignment created by the deferral program both incentivizes performance over the long term and discourages the taking of excessive risk.
- *Equity-Based Compensation.* The Corporation's stock option plan is currently its only form of equity-based compensation. The plan is meaningfully performance-based, incentivizes executives and other participants to work to achieve the Corporation's financial goals over the longer term and aligns their interests with those of shareholders. The terms of the plan, particularly the relatively long vesting and exercise periods and the requirement that the market price of the Corporation's shares be at least 25% above the exercise price before an option can be exercised (an objective and externally-determined performance measure), are clearly consistent with the overall and continuing success of the Corporation and the best interests of its public shareholders over the longer term and not with excessive risk-taking for short-term gain. The Corporation continues to consider whether it should develop different or additional equity-linked compensation programs in the future as the business evolves and there may be opportunities to associate incentives and awards with performance measures other than stock price.

Clawback of Incentive Compensation

Clawback and recoupment concepts have always been an embedded and fundamental aspect of the Corporation's executive equity compensation and non-compensatory investment programs. In particular, the Corporation's stock option plan, investment programs and employment arrangements provide for the forfeiture and, in many cases, clawback of the proceeds of option exercises and realized investment gains following specified types of conduct injurious to the Corporation. In consideration of evolving corporate governance practices as well as feedback from shareholder engagement, the Board supplemented these existing protections by adopting an incentive compensation clawback policy in 2019. The policy provides for the recoupment of up to two years of variable cash compensation awards if a covered executive has engaged in misconduct (i) that requires a material restatement of financial results and has received incentive compensation that would have been lower based on the restatement or (ii) that caused material financial, operational or reputational harm to the Corporation.

Prohibition on Insider Trading and Hedging

The Corporation's insider trading policy, which includes an anti-hedging policy, further demonstrates the Corporation's commitment to the optimal alignment of interests as between Board, senior management and shareholders. Onex' insider trading policy: (i) specifically states that active trading in its securities is strongly discouraged and that trades should be exclusively for investment, and not speculative, purposes; (ii) prohibits executives and employees from trading in the Corporation's shares at any time without first obtaining the consent of each of its Chief Financial Officer and General Counsel; and (iii) expressly provides that the policy applies not only to buying and selling Onex shares but also to creating, buying or selling any convertible or exchangeable security, put or call option, or other financial instrument designed to hedge or offset a change in the market value of Onex shares and to any other transaction that involves the acquisition or disposition of all or part of the economic risk or return associated with the ownership of Onex equity or with its financial performance.

2021 Compensation Considerations

General

Consistent with its approach to compensation generally, the Committee considered (i) the management of the Corporation's private equity, credit strategies and wealth management investment platforms and of its asset management business broadly, (ii) the performance of each of the Corporation's sponsored funds and their operating companies and investments, (iii) successes in key workstreams and new initiatives and (iv) relevant market and industry conditions in determining variable compensation levels for 2021. These areas of consideration were viewed within the overall context of general concern and uncertainty, unprecedented business disruptions and related financial and social impact caused by the COVID-19 pandemic. The Committee noted that volatile global market and economic conditions, widespread political, social, economic and trade uncertainty and challenges faced by certain of the Corporation's private equity operating companies and the industries in which they operate remain concerns to the Corporation's management.

Each of the Corporation's asset management and investment platforms executed on important value creation strategies throughout the year. By objective measure, 2021 performance included:

- an 8% increase in Onex' fee-generating assets under management to $33.2 billion;
- realizations and distributions to Onex of $1.3 billion from its private equity investing activities;
- a 32% gross increase in the value of Onex' private equity investments and 20% increase in the value of its credit strategies investments, respectively, including realizations and distributions;
- a 23% increase in Onex' investing capital per share to $90.75 (C$115.05); and
- the return of value to public shareholders through the payment of regular dividends and the purchase of 1,962,318 Subordinate Voting Shares under an active share buyback program.

Investment Segment

The Corporation's private equity platforms enjoyed a record year for investment capital deployment along with a number of realizations across many core industry verticals. The 32% gross increase in the value of the Corporation's private equity investments resulted in substantial value creation for shareholders. Operationally, the Corporation retained a new Managing Director – Head of Portfolio Operations to oversee implementation, monitoring and measurement across the private equity operating company portfolio as well as assisting with the delivery of key value creation processes and diligence of new investment opportunities. As of December 2021, the Onex Partners V and ONCAP IV private equity funds are primarily invested and the Corporation anticipates to be in the market raising funds for Onex Partners VI and ONCAP V throughout 2022.

The Corporation's credit strategies platform increased its fee-generating assets under management by 13% to $23.0 billion. Onex Credit launched several investment strategies and continued its repositioning and evolution of the business throughout 2021 with the integration of Onex Falcon's private credit investment strategies primarily in tradeable mezzanine and other direct lending investments for U.S. middle market companies and consolidation of Gluskin Sheff's public credit and equities investment strategies team. The expanded private and public investment strategies offered by Onex Credit has positioned the business well to attract a range of investment capital from new and existing institutional investors as well as high-net worth clients through Gluskin Sheff.

In the Corporation's wealth management platform, the Corporation was pleased to appoint David Kelly as the Head of Gluskin Sheff in January 2022 to lead the next phase of growth in the Corporation's private wealth business. With over 25 years of experience within retail banking, full-service brokerage and discretionary investment counselling at two of Canada's five major banks, Mr. Kelly brings extensive expertise in the private wealth industry in building strong operational functions to support high-quality and growing private wealth businesses focused on the needs of mass affluent and high net worth clients. The Corporation believes Gluskin Sheff remains competitively differentiated in the Canadian market, being one of the only wealth management firms to provide clients with access to alternative investments through Onex Credit and Onex Private Equity as well as bespoke wealth planning solutions.

In aggregate, the Committee noted the Corporation increased investing capital per share by 23% to $90.75 (C$115.05) over the course of 2021 supported by strong growth in each of its private equity, credit strategies and other investment platforms.

Asset Management Segment

Onex grew assets under management to $48.7 billion in 2021, of which $33.2 billion was fee-generating resulting in $384 million in asset management segment net earnings for shareholders. At the Corporation's Investor Day held in October 2021, management announced two new key performance indicators for its asset management activities: Fee-Related Earnings ("FRE") and Distributable Earnings ("DE"). These measurable KPIs are commonly used in the asset management industry with FRE serving as a measure of profitability of reoccurring revenues received that are not dependent on underlying investment realization events and DE representing FRE plus realization-driven carried interest on third-party invested capital and realized gains on investments. In future years, the Committee will consider investment capital per share performance plus recurring asset management earnings through FRE plus unrealized carried interest potential on shareholder capital as meaningful contributors to enhancing shareholder value and will consider how to incorporate those measures into its executive compensation program.

Chief Executive Officer and other Named Executive Officer ("NEO") Compensation

Executive compensation for Mr. Schwartz, Onex' Chairman and Chief Executive Officer is considered and determined by the Compensation and Management Resources Committee and approved by the Board in the absence of Mr. Schwartz, Ms. Reisman and Mr. Heersink. Compensation for the other executives is generally determined by the Committee with information and assistance from Messrs. Schwartz and Le Blanc. NEO compensation generally consists of base salary, variable cash compensation and may include performance-based options under the Corporation's Stock Option Plan.

Chief Executive Officer

In establishing the overall approach to the Chief Executive Officer's compensation, the Committee is mindful of the unique demands arising from the magnitude and diversity of the Corporation's business and its expansion and evolution over time. The Committee generally takes into consideration Mr. Schwartz' leadership in the management of the Corporation and its subsidiaries, efforts to safeguard and grow shareholder value and the value of the Corporation's underlying assets, the development of strategic initiatives as Onex continues to become a larger and more diversified asset manager, the financial performance of operating subsidiaries and other investments, the effective development and growth of the Corporation and its team of professionals, completed acquisitions and dispositions, and the development of new business platforms and channels, investment opportunities and relationships for the Corporation and its subsidiaries. Finally, the Committee recognizes that compensation arrangements for Mr. Schwartz should reflect U.S. and other global practices and levels for chief executives having similar roles and responsibilities.

In determining Mr. Schwartz' variable compensation for 2021, the Committee considered Mr. Schwartz' efforts and achievements in each of the areas outlined above, all within the context of the additional factors taken into account by the Committee in determining executive compensation generally, including Mr. Schwartz' leadership during ongoing COVID-19 conditions. The Committee recommended that Mr. Schwartz be awarded variable cash compensation of $5.0 million for 2021. Further, the Committee recommended that Mr. Schwartz' base salary for 2022 remain unchanged at $1.3 million. Mr. Schwartz' base compensation has not changed since 2010. The independent members of the Board unanimously approved the Committee's recommendations.

Other NEO Compensation

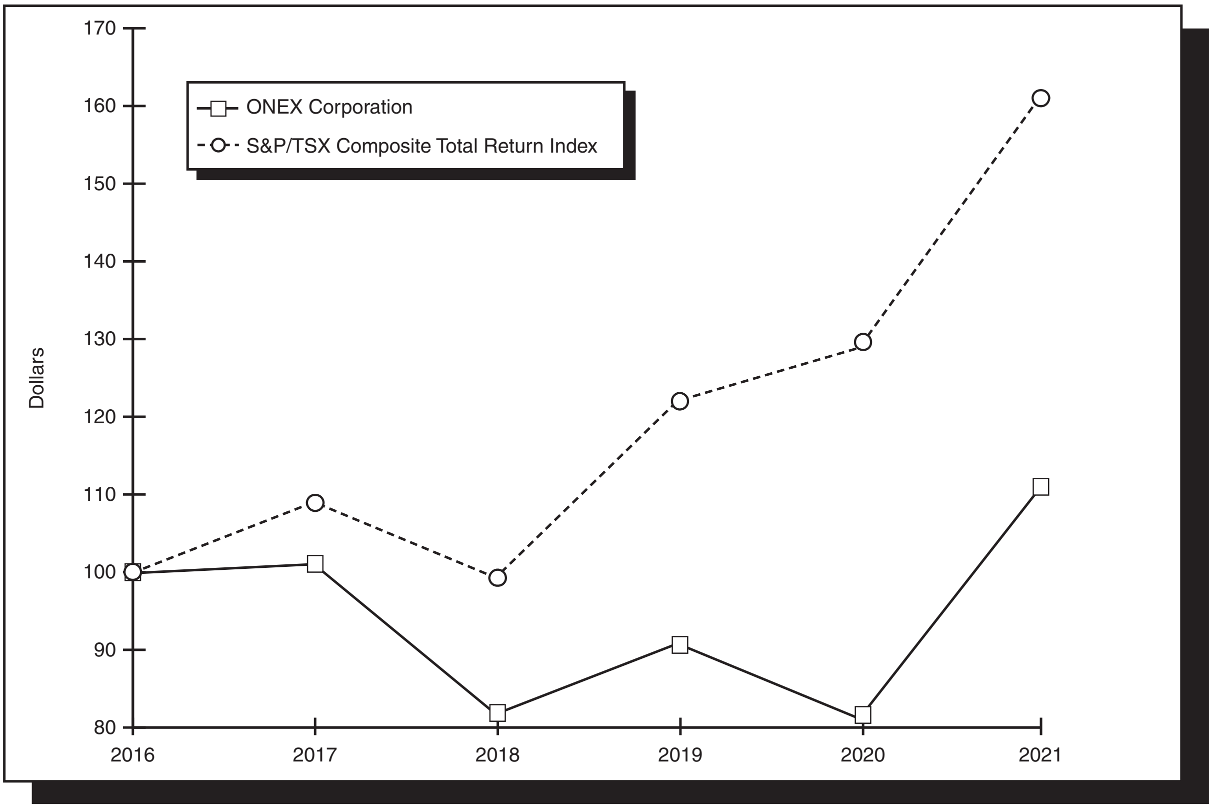
Consistent with its compensation practices generally, the Corporation's approach to NEO compensation ordinarily involves the payment of base salary and variable cash compensation, a portion of which typically constitutes a fundamental part of basic annual earnings and the balance of which is based on corporate and personal achievements, and may include the award of stock options to drive future performance. The identification of the Named Executive Officers or NEOs for 2021 is discussed under "Named Executive Officers" below.

Mr. Le Blanc's compensation was considered by the Committee with the assistance of Mr. Schwartz. In light of Mr. Le Blanc's mandate as President of Onex, the factors considered by the Committee were generally similar to those considered in respect of Mr. Schwartz. Particular emphasis was also placed on the positive results of Mr. Le Blanc's repositioning in the President role and the ongoing implementation of important changes in the Corporation's asset management activities and investment platforms and their leadership and strategic plans, further positioning the Corporation for growth and success.

In determining variable compensation for the other NEOs in 2021, the Committee considered the recommendations of Mr. Le Blanc and each NEO's personal efforts and achievements in their respective areas of responsibility.

SHARE PERFORMANCE GRAPH

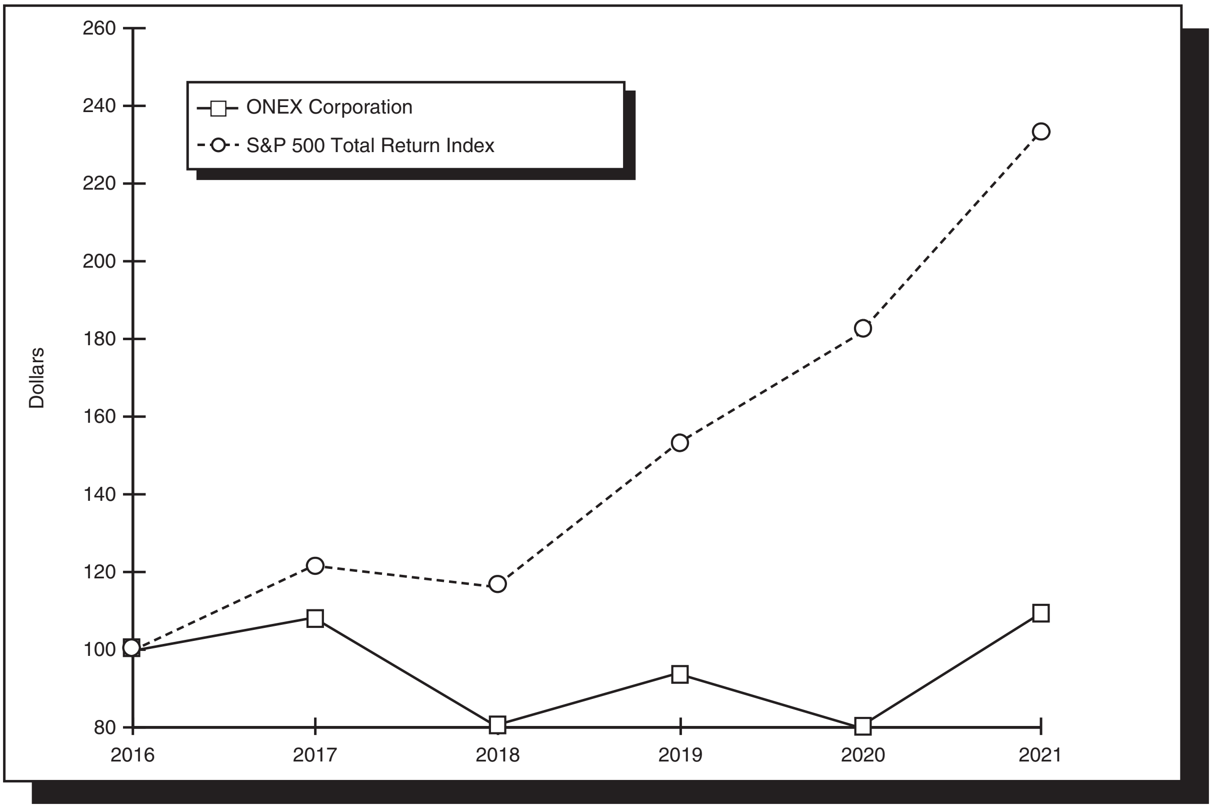
The following chart compares the total cumulative shareholder return (assuming re-investment of dividends) for C$100.00 invested in the Corporation's Subordinate Voting Shares on December 31, 2016 with the comparative cumulative total return for C$100.00 invested in the S&P/TSX Composite Index for the Corporation's five most recently completed financial years.



Onex 5 Year Total Shareholders' Return

	December 31, 2016	For the Financial Years 2017	2018	2019	2020	2021
Onex Corporation	C$100.00	C$101.19	C$81.89	C$ 90.94	C$ 81.35	C$111.07
S&P/TSX Composite Total Return Index	C$100.00	C$109.10	C$99.40	C$122.14	C$128.98	C$161.34

The following chart compares the total cumulative shareholder return in U.S. dollars (assuming re-investment of dividends) for $100.00 invested in the Corporation's Subordinate Voting Shares on December 31, 2016 and $100.00 invested in the S&P 500 Index for the Corporation's five most recently completed financial years.



Onex 5 Year Total Shareholders' Return (U.S. dollars)

	December 31, 2016	For the Financial Years 2017	2018	2019	2020	2021
Onex Corporation	$100.00	$108.49	$ 80.85	$ 94.24	$ 80.36	$109.72
S&P 500 Total Return Index	$100.00	$121.83	$116.49	$153.17	$181.35	$233.41

The Compensation and Management Resources Committee does not seek to specifically tie decisions as to executive or other compensation directly to share price performance over a defined period, nor do the Board and management believe that such an approach would be appropriate for the reasons discussed at length under "Compensation Discussion & Analysis". Rather, the Board and management are confident that the Corporation's compensation policies and practices are designed to reward performance that will drive shareholder value, and share price, over the long term and are effective in achieving that goal.

COMPENSATION OF DIRECTORS AND NAMED EXECUTIVE OFFICERS OF THE CORPORATION AND ITS SUBSIDIARIES

Directors

Each of the directors of the Corporation other than Mr. Schwartz and Mr. Heersink is currently paid an annual retainer of $240,000 which consists of $50,000 payable quarterly in the form of cash or director deferred share units ("Director DSUs") at the choice of each director and the balance of $190,000 payable as a single annual amount in the form of Director DSUs. An additional $5,000 per committee meeting is currently paid in respect of directors' participation on the Compensation and Management Resources Committee and the Audit and Corporate Governance Committee of the Board. One half of the committee meeting fee is provided for telephone attendance. In addition, the independent Lead Director receives an annual amount of $40,000. The Chair of the Audit and Corporate Governance Committee receives $30,000 and the Chair of the Compensation and Management Resources Committee receives $20,000 annually in their capacities as committee Chairs. The members of the Audit and Corporate Governance Committee, other than the Chair, each receive an annual amount of $7,500. The members of the Compensation and Management Resources Committee, other than the Chair, each receive an annual amount of $4,500. The directors are also reimbursed for any expenses incurred in respect of their activities as directors. Directors do not receive Board meeting fees or any other form of per diem amount. All Committee and Lead Director fees are payable quarterly in the form of cash or Director DSUs at the choice of each committee member and the Lead Director.

A Deferred Share Unit Plan for directors ("Directors' DSU Plan") was adopted in 2004 with a view to aligning directors' compensation with the long-term interests of shareholders and allows directors the opportunity to benefit from the appreciation in the value of Onex' Subordinate Voting Shares through a redemption of Director DSUs for cash upon retirement from the Board. The Directors' DSU Plan provides that a director may elect annually to receive all or a portion of his or her directors' annual retainer in Director DSUs. The number of Director DSUs received in respect of the portion of the annual retainer required to be paid in the form of Director DSUs ($190,000 in 2021) is calculated by reference to the closing market price of the Subordinate Voting Shares on the trading day immediately preceding the Corporation's annual meeting of shareholders. The number of Director DSUs received in respect of a quarterly amount is calculated by reference to the entitlement for that quarter and the market price of Subordinate Voting Shares at the end of the quarter. Director DSUs vest immediately, are redeemable only once the holder retires from the Board and must be redeemed within one year following the year of retirement. Director DSUs are redeemable only for cash and no shares or other securities of the Corporation will be issued on the exercise, redemption or other settlement thereof.

Compensation levels for the directors of the Corporation are considered by the Audit and Corporate Governance Committee annually. This consideration includes a review of the compensation paid to directors of similarly-sized businesses in Canada and the U.S. while also taking into account the unique circumstances arising from the diversity of the revenue and asset base of the Corporation through both its operating companies, credit strategies and wealth management platforms and its asset management businesses and the rapid evolution of those businesses. The total compensation to the directors of the Corporation for the year ended December 31, 2021 was $2,088,875 comprised of the amounts set forth in the table below.

	Retainers						
Director	**Board ($)**	**Lead Director ($)**	**Committee Chair ($)**	**Committee Member ($)**	**Committee Meetings ($)**	**Total Fees Earned (1) ($)**	**Portion of total fees received in DSUs**
William A. Etherington (2)	240,000	40,000	—	12,000	15,000	307,000	100%
Mitch Goldhar	240,000	—	—	—	—	240,000	100%
Serge Gouin (3)	12,500	—	—	1,875	5,000	19,375	100%
Arianna Huffington	240,000	—	—	—	—	240,000	100%
John B. McCoy	240,000	—	20,000	—	5,000	265,000	100%
J. Robert S. Prichard	240,000	—	—	7,500	10,000	257,000	100%
Heather M. Reisman	240,000	—	—	—	—	240,000	100%
Arni C. Thorsteinson	240,000	—	30,000	—	10,000	280,000	100%
Beth A. Wilkinson	240,000	—	—	—	—	240,000	100%

Notes:

(1) Each director elected to receive all fees payable to her or him in respect of 2021 Board, and if applicable, Committee and Lead Director service in the form of Director DSUs.

(2) Mr. Etherington is a member of the board of directors of Celestica Inc., a subsidiary of the Corporation. Mr. Etherington received compensation from Celestica of $360,000 for his services as a director in 2021, all of which was received in the form of deferred share units.

(3) Mr. Gouin retired as a member of the Board in May 2021.

Named Executive Officers

Under applicable securities legislation, the Corporation is required to disclose certain financial information relating to the compensation of its Chief Executive Officer, Chief Financial Officer and the Corporation's three most highly compensated executive officers (other than the Chief Executive Officer and Chief Financial Officer). The identification of the Corporation's NEOs in any particular year includes a careful consideration of the roles of each member of the Corporation's senior leadership team.

The Summary Compensation Table which follows provides a summary of compensation earned by each of the NEOs for the last three fiscal years. Specific aspects of their compensation are dealt with in further detail on the following pages.

Shareholders reviewing the Summary Compensation Table and the pages that follow should be thoughtful about several factors that make year-to-year comparisons challenging, including the following:

- the substantial revision of the compensation, incentive and investment programs in which Messrs. Schwartz, Le Blanc, Govan, Heersink and Munk participated effective January 1, 2020 (as described in detail in the 2020 Circular), and the nature and extent of their individual participation. Prior to that time, a large portion of the annual variable cash compensation awarded to executives and professionals with primary responsibilities in the Corporation's private equity activities was driven by the demonstrable creation of value through the successful realization of investments in the performance year. Accordingly, variable cash awards could vary materially year-to-year, making a comparative assessment of performance and compensation over time challenging and potentially diminishing transparency. The Corporation discontinued the use of substantial, episodic variable cash compensation awards reflecting specific realizations and 2019 was expected to be the final year where variable cash compensation is materially impacted by the historical approach; and
- as described in detail in the 2020 Circular, Messrs. Le Blanc, Govan, Heersink and Munk received a multi-year grant of stock options in 2019, at which time the Committee determined that they would not be eligible for further stock option grants until 2022.

Shareholders should therefore be cautious in making year-to-year comparisons as they review the Summary Compensation Table and the pages that follow.

Summary Compensation Table

Name and Principal Position	Year	Salary ($)	Share-based awards ($)	Option-based awards (1) (2) ($)	Non-equity incentive plan compensation: Annual incentive plans ($)	Non-equity incentive plan compensation: Long-term incentive plans ($)	Pension value ($)	All other compensation ($)	Total compensation ($)
Mr. Gerald W. Schwartz,	2021	1,300,000	—	—	5,000,000	—	—	—	6,300,000
Chief Executive Officer	2020	1,300,000	—	3,295,258	5,000,000	—	—	—	9,595,258
	2019	1,300,000	—	5,057,731	4,607,316	—	—	—	10,965,047
Mr. Robert M. Le Blanc,	2021	750,000	—	—	5,000,000	—	—	—	5,750,000
President of Onex & Head of Onex	2020	400,000	—	—	4,000,000	—	—	—	4,400,000
Partners	2019	400,000	—	2,876,874	3,046,090	—	—	—	6,322,964
Mr. Christopher A. Govan,	2021	315,520	—	—	2,200,000	—	—	—	2,515,520
Chief Financial Officer	2020	307,977	—	—	1,800,000	—	—	—	2,107,977
	2019	301,520	—	6,480,701	1,319,183	—	—	—	8,101,404
Mr. Ewout R. Heersink	2021	400,000	—	—	2,000,000	—	—	—	2,400,000
Vice Chair	2020	400,000	—	—	2,000,000	—	—	—	2,400,000
	2019	400,000	—	2,923,276	1,819,469	—	—	—	5,142,745
Mr. Anthony Munk	2021	400,000	—	—	2,100,000	—	—	—	2,500,000
Vice Chair	2020	400,000	—	—	3,250,000	—	—	—	3,650,000
	2019	400,000	—	5,475,342	2,655,651	—	—	—	8,530,993

Notes:

(1) The amounts shown under "Option-based awards" represent the dollar amount computed by the Corporation based on the individual award grant date fair value, in accordance with International Financial Reporting Standards' authoritative guidance, and include amounts from awards granted in the respective fiscal years.

(2) Each of Messrs. Le Blanc, Govan, Heersink and Munk received multi-year grants of stock options in 2019, at which time the Committee determined that they would not be eligible for further stock option grants until 2022.

Incentive Plan Awards

The following table provides information with regard to the outstanding option awards held by the NEOs as at December 31, 2021. All awards were made pursuant to the Corporation's Stock Option Plan. The terms and conditions of the Plan are described in detail below under "Stock Option Plan" and provide that vested options may be exercised only if the market value of an Onex Subordinate Voting Share (based on a five-day average closing price) is at least 25% above the relevant exercise price. The Corporation does not use other share-based awards in its compensation program.

Outstanding Option-Based Awards (1)

Name	Number of securities underlying unexercised options (#)	Option exercise price (C$)	Option expiration Date	Value of unexercised in-the-money options (2) (C$)
Mr. Gerald W. Schwartz:				
January 16, 2014 Award	3,950,000	57.45	January 16, 2024	165,228,500
December 18, 2019 Award	327,000	82.10	December 18, 2029	—
February 4, 2021 Award (3)	230,000	72.22	February 4, 2031	—
Mr. Robert M. Le Blanc:				
December 4, 2012 Award	50,000	40.35	December 4, 2022	2,946,500
December 10, 2013 Award	850,000	56.92	December 10, 2023	36,006,000
December 18, 2019 Award (4)	186,000	82.10	December 18, 2029	—
Mr. Christopher A. Govan:				
December 4, 2012 Award	25,000	40.35	December 4, 2022	1,472,250
December 10, 2013 Award	20,000	56.92	December 10, 2023	847,200
December 9, 2014 Award	50,000	63.53	December 9, 2024	1,787,500
November 27, 2015 Award	30,000	81.76	November 27, 2025	—
December 6, 2016 Award	30,000	93.94	December 6, 2026	—
January 25, 2018 Award	50,000	92.15	January 25, 2028	—
December 18, 2019 Award (4)	419,000	82.10	December 18, 2029	—
Mr. Ewout R. Heersink:				
December 4, 2012 Award	25,000	40.35	December 4, 2022	1,473,250
December 10, 2013 Award	20,000	56.92	December 10, 2023	847,200
December 9, 2014 Award	20,000	63.53	December 9, 2024	715,000
November 27, 2015 Award	15,000	81.76	November 27, 2025	—
December 6, 2016 Award	15,000	93.94	December 6, 2026	—
January 25, 2018 Award	20,000	92.15	January 25, 2028	—
December 18, 2019 Award (4)	189,000	82.10	December 18, 2029	—
Mr. Anthony Munk:				
December 18, 2019 Award (4)	354,000	82.10	December 18, 2029	—

Notes:

(1) All amounts are presented in Canadian dollars unless otherwise indicated.

(2) Options are reflected as being in-the-money only if the applicable 25% performance threshold was met or exceeded at December 31, 2021.

(3) Options awarded in February 2021 were in respect of the performance year ending December 31, 2020.

(4) The option grants to Messrs. Govan, Le Blanc, Heersink and Munk in 2019 were intended to equate to three years of expected annual awards. See "2019 Compensation Considerations" in the 2020 Circular.

The following table provides information with regard to options vested during 2021 under the Corporation's stock option plan. Presented amounts show the aggregate dollar value that would have been realized if such options had been exercised on the vesting date.

Name	Option-Based Awards Value Vested During the Year (1) ($)	Non-Equity Incentive Plan Compensation Value Earned During the Year ($)
Mr. Gerald W. Schwartz	—	—
Mr. Robert M. Le Blanc	—	—
Mr. Christopher A. Govan	—	—
Mr. Ewout R. Heersink	—	—
Mr. Anthony Munk	—	—

Note:

(1) The Onex Corporation stock option plan provides that vested options may be exercised only if the market value of an Onex Subordinate Voting Share (based on a five-day average closing price) meets or exceeds a performance threshold set at 25% above the relevant exercise price. Options for which the market value of such shares is above the exercise price are reflected as being in-the-money only if such 25% performance threshold was met or exceeded at December 31, 2021. The terms and conditions of the Corporation's stock option plan are described in detail below under "Stock Option Plan".

Stock Option Plan

The Corporation's stock option plan (the "Option Plan") is designed to enhance shareholder value by: (i) providing a long-term incentive to the Corporation's executives, senior management and certain other employees; (ii) improving the ability of the Corporation to attract, retain and motivate its key personnel; and (iii) encouraging participants in the Option Plan to maintain a significant level of investment in the Corporation, thereby closely aligning their personal interests with those of shareholders. The Corporation is of the view that the design of its Option Plan, which involves a significant 25% performance threshold as a condition of exercisability, is more rigorous than both traditional stock option plans and conventional performance share unit and restricted share unit plans commonly used by other public companies. Further, the option vesting and exercise periods reflect an emphasis on the long-term effort needed to maximize shareholder value, particularly in the Corporation's core private equity business. See above "Equity Compensation (Performance-Based Options)" of this Circular.

The maximum number of Subordinate Voting Shares issuable under the Option Plan has remained fixed at 16 million since 2004 and can be amended only with shareholder approval. The Corporation has purchased for cancellation a substantial number of its outstanding Subordinate Voting Shares under its normal course issuer bids and other exempt transactions since the adoption of the Option Plan and the establishment of the number of Subordinate Voting Shares issuable thereunder, including 3,521,526 shares repurchased in 2021. As a result of those cumulative repurchases, the total number of authorized options remaining available for issuance plus options that were outstanding as at December 31, 2021 represented 15.6% of the outstanding Subordinate Voting Shares on a fully-diluted basis (17.8% on an undiluted basis). At December 31, 2021, options were outstanding to purchase 12,056,370 Subordinate Voting Shares, representing 12.2% of the outstanding Subordinate Voting Shares on a fully-diluted basis (13.9% on an undiluted basis).

The Option Plan expressly precludes a grant of new options if the grant would result in (i) the number of Subordinate Voting Shares reserved for issuance pursuant to options granted to insiders exceeding 10% of the issued and outstanding Subordinate Voting Shares, (ii) the issuance to insiders within a one-year period of a number of Subordinate Voting Shares exceeding 10% of the issued and outstanding shares or (iii) the issuance to any one insider and his or her associates, within a one-year period, of a number of Subordinate Voting Shares exceeding 5% of the issued and outstanding shares.

The exercise price for each grant is determined by the Compensation and Management Resources Committee and may not be less than the closing price of the shares on the trading day immediately preceding the date of grant. Options vest ratably over five years and may be exercised only if the market value of a share (based on a five-day average closing price) meets or exceeds a performance threshold of 25% above exercise price. The Committee has generally approved the issuance of options with a ten-year term.

The Option Plan contains detailed provisions relating to the continuation or forfeiture of rights following an optionholder's departure from Onex and generally provide for: (i) a 90-day grace period to exercise vested options, provided the 25% performance threshold has been met or exceeded; (ii) an extension of the exercise period for up to five years in the event of an optionholder's retirement after long service to the Corporation; (iii) forfeiture of all vested but unexercised options where the 25% performance threshold is not met at the end of the relevant grace period; and (iv) forfeiture of all vested and unvested options on termination for cause. The Option Plan also provides for forfeiture and a clawback of value realized on the exercise of options within the preceding year where the optionholder resigns and subsequently engages in a business competitive with that of the Corporation within one year thereafter or if the optionholder was terminated for cause. The Option Plan does not provide for accelerated or automatic vesting of options in the event of a change of control of the Corporation. In the event of retirement after an optionholder's long service to the Corporation as mentioned above, an extension of the exercise period for up to five years fairly exposes the optionholder to both the upside potential and downside risk and reduces excessive risk taking prior to retirement.

The following table sets forth information in respect of the options outstanding or available for future issuance as of December 31, 2021. The Corporation has no other equity-based compensation plans. See also "Compensation Discussion and Analysis – Onex' Compensation Policies and Practices" of this Circular.

	Number of securities issuable upon exercise of outstanding options as at December 31, 2021 (#)	**Weighted average exercise price of outstanding options (1) ($)**	**Number of securities remaining available for future issuance under equity compensation plans as at December 31, 2021 (excluding shares issuable upon the exercise of outstanding options) (#)**
Equity compensation plans approved by securityholders	12,056,370	C$70.30	3,432,680
Equity compensation plans not approved by securityholders	—	—	—

Note:

(1) Vested options may be exercised only if the market value of an Onex Subordinate Voting Share (based on a five-day average closing price) meets or exceeds a performance threshold set at 25% above the relevant exercise price.

The annual burn rate (the "ABR") of the Option Plan is expressed as a percentage and calculated by dividing the number of options granted in the applicable fiscal year by the weighted average number of securities outstanding for the applicable fiscal year. For 2021, the ABR was 0.77% (2020 – 0.07%; 2019 – 2.73%). The ABR for a particular year reflects the time at which the Corporation makes year-end compensation decisions, including the issuance of options. Specifically, options in respect of 2021 service were granted in February 2021. The average ABR for the three years 2019-2021 was 3.68%.

Termination and Change in Control Benefits for NEOs

The Corporation has not entered into agreements with any NEO that provide for benefits on termination, resignation, retirement, change in control or change in responsibility. There is an agreement between Mr. Schwartz and the Corporation confirming his continuation in office as Chief Executive Officer of the Corporation and specifying the circumstances in which he may be removed from office. The agreement does not deal with termination entitlements.

Each of the NEOs, other than Mr. Schwartz, has entered into an agreement providing for certain confidentiality, non-competition and non-solicitation covenants that would survive the termination of his employment, but the agreements do not expressly deal with termination entitlements. The rights and entitlements, if any, of the NEOs in the event of termination of employment or change in control of the Corporation arising under the Corporation's Stock Option Plan are described under "Stock Option Plan" above.

Indebtedness of Directors, Executive Officers and Senior Officers

There were no loans from the Corporation to present or former directors, officers and employees of the Corporation outstanding at March 21, 2022.

The aggregate indebtedness to the Corporation (including indebtedness guaranteed by the Corporation) of present and former directors, officers and employees, excluding routine indebtedness, as at March 21, 2022 was nil.

Routine indebtedness includes (i) indebtedness arising by reason of purchases made on usual trade terms or of ordinary travel or expense advances or for similar reasons and (ii) loans to directors and executive or senior officers who are full-time employees, which loans are fully secured by their residences and do not exceed annual salary in amount, of which there are none.

Directors and Officers Liability Insurance

The Corporation purchased directors' and officers' liability and professional liability insurance of $110 million in respect of the Corporation and certain of its subsidiaries for a period of one year expiring on November 30, 2022 for an annual total premium of $2.8 million.

MANAGEMENT ALIGNMENT OF INTERESTS WITH SHAREHOLDERS

General

Management and the Board believe that the strong alignment of interests among Onex' shareholders, limited partners and clients, management team and investment professionals is critical to the success of the Corporation. As the Corporation has grown and its business has evolved, alignment is promoted through a number of plans and programs, some of which are specific to one or more of the Corporation's asset management platforms or to the Corporation's executive and senior management teams and others of which are broader.

The details of Onex' compensation and investment programs may be different among its various asset management platforms, as between those platforms and the parent company's corporate office, and as between roles and functions. However, they are fundamentally similar in that compensation of management and key investment professionals and, where relevant, their opportunity to earn meaningful investment returns is tied closely to the generation of investment returns, performance fees and/or carried interest to Onex for the benefit of all shareholders.

Management Ownership

The Corporation's distinctive ownership culture encourages and, in many cases, requires its executives, senior management and other professionals to have a significant ownership stake in Onex shares and to invest meaningfully in its funds, strategies, products and, where appropriate, in its private equity funds' operating companies. As at December 31, 2021, the Onex executives, senior management and investment professionals:

- were the largest shareholder in Onex, with combined holdings of approximately 15.6 million Subordinate Voting Shares, or 17.3% of outstanding shares, and approximately 0.7 million Management DSUs;
- had a total investment in the Corporation's private equity operating companies of approximately $670 million (at market); and
- had a total investment in the Corporation's credit and equities investment strategies of approximately $604 million (at market).

Material Investment Programs and Plans

The Corporation's private equity and credit strategies investment professionals are generally required to invest personal capital alongside both third-parties and the Corporation's invested capital, subjecting these personal investments to the risk of loss while also providing the potential for risk-adjusted gains where certain minimum performance return hurdles are met or exceeded. Personal investment by team members in or through the Corporation's other investment platforms is not generally required but is encouraged. The broader Onex team has made substantial investment in Onex Credit funds and a number have become Gluskin Sheff clients.

The discussion and table below focuses on the investment plans and programs applicable to the investment professionals in the Corporation's core private equity businesses. As discussed earlier in this Circular, Onex' business is historically rooted in private equity investing and while the business has changed and evolved substantially, private equity remains Onex' largest investment platform with respect to both its own invested capital and also the potential to generate fees and carried interest. As at December 31, 2021, excluding cash and near-cash items, approximately 87% of the Corporation's shareholder capital was invested in private equity. Accordingly, among the various means by which the Corporation seeks to align economic interests, the most impactful to shareholders are those that relate to (i) investments in Onex shares, (ii) direct exposure to the Onex share price, or (iii) personal financial exposure to the success of the relevant private equity platform. Those plans and programs have been carefully designed to focus almost exclusively on the success of the Corporation's business over the long term and to specifically align any investment gains to participants with the delivery of tangible value to the Corporation's shareholders and investors. As indicated above, the core concepts of the private equity carried interest programs have also been incorporated in the carried interest program being implemented in the Corporation's credit strategies business.

Investment Program	Minimum Performance Return Hurdle	Vesting	Management Investment & Application
Management Investment Plan (1)	15% Compounded Return	6 years	• personal "at risk" equity investment required • applicable to: – Onex capital invested in Onex Partners I-IV transactions – certain Onex capital invested outside Onex Partners prior to 2020 • not applicable to: – Onex Partners V transactions – future Onex transactions and Onex Partners funds
Onex Partners Carried Interest Program	8% Compounded Return	6 years	• personal "at risk" equity investment required • applicable to: – third-party capital invested in Onex Partners I-IV transactions – Onex and third-party capital invested in Onex Partners V transactions – Onex capital invested in Onex Partners originated co-investments and direct investments after 2019
ONCAP Carried Interest Program	8% Compounded Return	5 years	• personal "at risk" equity investment required • applicable to Onex and third-party capital invested in ONCAP transactions

Investment Program	Minimum Performance Return Hurdle	Vesting	Management Investment & Application
Onex Credit Carried Interest Program	Varies by fund	Varies by fund	• personal "at risk" equity investment required • applicable to Onex and third-party capital in Onex Credit funds
Management DSU Plan	N/A	N/A	• investment of elected portion of annual variable cash compensation in Management DSUs • value reflects changes in Corporation's share price, including risk associated with price decrease • units not redeemable until retirement
Option Plan	25% Share Price Appreciation	5 years	• satisfaction of exercise price (market value at grant date)

Note:

(1) As discussed in the 2020 Circular in "Compensation and Investment Program Developments", commencing in 2020 the Management Investment Plan (i) for all investments made in Onex Partners V and subsequent Onex Partners funds, was replaced by the Onex capital carried interest program and (ii) for all investments made in Onex Partners IV and predecessor funds, retains its historical terms and structure other than to conform the participant's allocation of realized net gains above the performance return hurdle to match the 12% allocation provided by the Onex Partners third-party carried interest program.

Carried Interest and Comparable Programs

Background

The alignment of an investment professional's personal economic interests with investor interests is a fundamental feature of several sectors of the alternative asset management industry, including private equity and private credit fund investment and management. That alignment is generally created by requiring the individual to invest personal, at-risk capital alongside investors' capital and providing him or her with a corresponding opportunity to share in a portion of investors' realized gains above a specified performance hurdle. That obligation and opportunity may use different terminology in different contexts, including "carried interest" in private equity and "performance allocation" in most private credit funds, but are collectively referred to for purposes of this Circular as "carried interest".

In the Onex Partners funds, for example, and consistent with industry norms, an aggregate of 20% of the investment returns generated for third-party investors above an 8% compound annual preferred return or performance hurdle are allocated to Onex (as to 8%) and to relevant team of investment professionals (as to 12%). The participating individuals are required to invest personal at-risk capital in order to receive a corresponding opportunity to share in the allocation of investment returns, with that opportunity vesting over several years. Accordingly, the firm's carried interest programs strongly and directly incentivize participants to drive attractive risk-adjusted investment returns for Onex and thereby for the benefit of all shareholders, as their personal opportunity to realize substantial gains on their investments through the carried interest participation depends entirely on that outcome.

The specific percentages of the carried interest opportunity, the preferred return, the vesting periods and the allocation of carried interest as between Onex and the relevant investments teams will vary for different funds and teams. The details of the specific carried interest programs are available to shareholders in Note 25 to the audited consolidated financial statements of the Corporation for the year ended December 31, 2021**.**

Personal Capital Commitments

The investment professionals and other participants eligible to participate in the private equity carried interest programs (the "Participants") commit, as a group, to invest a minimum percentage of the aggregate committed capital of each of the relevant fund(s). Minimum team investment is generally 1% to 2% of fund size and maximum participation can be capped as high as 10%. The total amount invested by the Participants on that basis in the year ended December 31, 2021 was $88.5 million. The carried interest program associated with relevant Onex Credit funds requires a minimum investment determined on a fund-by-fund basis.

A Participant who leaves the Corporation and subsequently breaches certain customary restrictive covenants not only loses his or her non-vested and vested carried interest but must repay to the Corporation the after-tax proceeds received in respect of the carried interest in the year before departure.

Investments and Realizations in 2021

In 2021, the NEOs participating in the carried interest programs invested an aggregate of $83.6 million. Total proceeds under those programs included $31.6 million to Mr. Schwartz, $11.4 million to Mr. Le Blanc, $4.7 million to Mr. Govan, $2.6 million to Mr. Heersink and $9.4 million to Mr. Munk.

Further Information

Additional information concerning the firm's carried interest programs is contained in Note 25 to the audited consolidated financial statements of the Corporation for the year ended December 31, 2021.

SHARE OWNERSHIP AND DEFERRED BONUS PROGRAMS

As the Corporation's business grows and expands, it continues to develop and implement programs where the financial opportunity available to investment professionals, executives and senior management reflects the performance of the Onex Subordinate Voting Shares. In the Onex Partners platform, for example, a mandatory share ownership program (the "Reinvestment Program") requires participants to invest up to 25% of the gross carried interest proceeds realized by them thereunder to purchase Subordinate Voting Shares or Management DSUs. The size of the reinvestment requirement generally increases with the seniority of the Participant and the cumulative proceeds he or she has realized in respect of the Onex Partners carried interest, and shares must be held for a minimum of three years.

In the Onex Credit platform, executives and management and certain others defer a portion of their annual variable cash compensation for investment or deemed investment in Onex Subordinate Voting Shares or Onex Credit private funds. Deferred bonus amounts vest over three years and the amount receivable by the participant on vesting will depend on the performance of the relevant shares and/or funds during the deferral period.

MANAGEMENT DEFERRED SHARE UNIT PLAN (CORPORATE EXECUTIVES AND SENIOR MANAGEMENT)

The Corporation has adopted a Management Deferred Share Unit Plan (the "Management DSU Plan") as a further means of encouraging personal and direct economic interest in the performance of the Subordinate Voting Shares by executives and senior management. Under the Management DSU Plan, eligible participants are given the opportunity to designate all or a portion of their annual variable cash compensation toward the purchase of Management DSUs in lieu of cash. Importantly, the Management DSU Plan does not provide for any incremental compensation but rather allows participants to choose not to receive a portion of their annual variable cash compensation and to effectively put that amount at risk alongside the Corporation's shareholders for the duration of their tenure at Onex. A participating executive must hold his or her Management DSUs until retirement from the Corporation.

The number of Management DSUs credited to a participant in the plan for a particular year will be equal to the amount of variable cash compensation designated by the participant divided by the then-current market price of the Onex Subordinate Voting Shares, without discount. Management DSUs are redeemable by the participant only after he or she has left Onex for a cash payment equal to the then-current market price of the Subordinate Voting Shares. To hedge the Corporation's exposure to changes in the trading price of the Subordinate Voting Shares associated with Management DSUs, the Corporation has entered into forward agreements with a counterparty financial institution for all outstanding Management DSUs and generally intends to enter into a similar arrangement for each year in which Management DSUs are granted under the Management DSU Plan. The costs of those arrangements are borne entirely by participants in the plan. Management DSUs are redeemable only for cash and no shares or other securities of the Corporation will be issued on the exercise, redemption or other settlement thereof.

Direct Co-investments

The Corporation's management and certain other professionals are generally able to make voluntary personal co-investments in the Corporation's private equity operating companies and closed-end credit funds that are incremental to the mandatory investments by carried interest participants described above. Such co-investments are made on the same terms as the Corporation's corresponding investment. As of December 31, 2021, an aggregate of $21.4 million was co-invested on this basis (at market), including $17.9 million invested during 2021.

VOTING MATTER #5:

SHAREHOLDER PROPOSAL

The Corporation has received a shareholder proposal from Shareholder Association for Research & Education, Suite 257 – 401 Richmond Street West, Toronto, Ontario M5V 3A8, on behalf of the Catherine Donnelly Foundation (the "Proposer"). The proposal and supporting statement are included below as submitted. The Proposer has advised that it beneficially owned at least $2,000 of Subordinate Voting Shares of the Corporation at the date of submission of its proposal.

Shareholder Proposal (as submitted by the Proposer)

Resolved that: The board of directors report to shareholders on the extent to which our company's policies and practices regarding Indigenous community relations, recruitment and advancement of Indigenous employees, internal education on Indigenous reconciliation, and procurement from Indigenous-owned businesses compare to or are certified by external Indigenous-led standards of practice.

Supporting Statement: To be responsive to the regulatory and reputational pressure related to Indigenous inclusion, many companies have developed internal programs or policies on Indigenous relations, recruitment of Indigenous employees, and procurement from Indigenous-owned businesses. For investors, however, the breadth, depth, and content of these programs is impossible to determine. Facing inconsistent disclosure, the extent to which a company has effectively incorporated steps to address Indigenous inclusion and reconciliation is impossible to measure. There are, however, externally-verified options for corporations to demonstrate that their programs meet standards developed by qualified Indigenous organizations, such as the Progressive Aboriginal Relations (PAR) program of the Canadian Council for Aboriginal Business, which provides independent certification to corporations in Canada. Within Canada's financial sector, this is already an established best practice: BMO, Scotiabank, CIBC, Deloitte, EY, ATB Financial, and Accenture have all achieved certification under the PAR program.

The Corporation's Position

The Corporation recognizes that diversity and individual and group identity, including self-identity, are complicated and multi-faceted matters requiring careful consideration of a number of important perspectives and priorities. The Corporation intends to work to advance diversity, equity and inclusion methodically in a way that seeks to balance the interests of a range of traditionally under-represented and disadvantaged groups, including Indigenous People, as well as other such groups. The Corporation's efforts in the past few years have focused on gender diversity, as an issue that applies broadly and impacts all parts of business, the economy and society generally. The Corporation will continue to consider whether the nature of its history and business and the industries in which it operates are such that it would be appropriate or reasonable to further prioritize one or more minority, under-represented or disadvantaged group over others.

As discussed above under "Board and Corporate Diversity", the Corporation values diversity in the workplace, including with respect to gender, age, socioeconomic status, parental status, sexual orientation, culture, race and ethnicity, and religion. The Corporation's D&I Policy recognizes that diversity is not limited to gender and has committed to supporting programs and policies that increase diversity broadly. Indigenous Peoples and relationships with Indigenous communities are and will be considered as part of a Firm-wide diversity and inclusion framework. The Corporation's recently formed D&I Council is charged with the ongoing development, management and communication of diversity and inclusion initiatives across the Firm as well as to drive action and positive change.

The Corporation has taken active steps to design and update its recruitment and talent management programs to support the attraction, development, mentorship and retention of individuals from diverse backgrounds. Led by the D&I Council, the Corporation undertook its first employee D&I survey in an effort to gather meaningful demographic data on its workforce and better understand the perceptions of workplace culture from a diversity and inclusion perspective. The survey results will facilitate future enhancements to the Firm's D&I Policy and will provide the basis for D&I priorities and action plans which may include unconscious bias training, employee resource groups, cultural education learning sessions and objective success metrics. As the D&I Council remains in its foundational planning and development phase, the Board is not in a position to report on policies, targets and progress related to only one specific group of diverse individuals, such as Indigenous Peoples, and is more broadly focused on supporting diversity and inclusion of under-represented individuals broadly throughout the organization and in the communities Onex serves.

With respect to procurement, the Corporation's business activities as an investor and asset manager in private equity, public and private credit strategies and wealth management platforms does not lend itself to any meaningful procurement of products or services in Canada or globally.

While the Corporation recognizes that fostering a diverse team in an inclusive environment can create a competitive advantage for idea and value generation for the Corporation and its investors and shareholders, the Board and management understand that a commitment to improving diversity and inclusions at all levels is a multi-stage journey that is not easily solved by focusing on a particular group of under-represented individuals. The Corporation's D&I Council is focused on key priorities of increasing representation from individuals with diverse backgrounds, improving inclusion and engagement for all team members, and supporting the equitable development and advancement of individuals with diverse backgrounds, all of which would inherently include consideration of Indigenous Peoples. The Board and management therefore believe the current approach to diversity and inclusion is responsive to the concerns raised by the proposal but, having considered the issue thoughtfully in the context of the Corporation's business and activities, do not support the adoption of standalone processes solely in respect of Indigenous issues.

Accordingly, the Board and management recommend that the shareholders vote **AGAINST** the proposal.

NORMAL COURSE ISSUER BID

On April 14, 2021, the Corporation filed Notice of Intention to make a normal course issuer bid to permit repurchases of Subordinate Voting Shares commencing April 18, 2021 and terminating on April 17, 2022. The Corporation is permitted to effect such purchases from time to time during the period of the issuer bid when it determines such purchases to be advantageous to the Corporation. Any purchases made under the issuer bid and other permitted exempt transactions will be effected in accordance with the rules and policies of the Toronto Stock Exchange. Any shareholder of the Corporation may obtain a copy of the Notice of Intention, without charge, by writing the Corporation at its head office.

ADDITIONAL INFORMATION

Any shareholder of the Corporation may obtain copies of the Corporation's annual information form, annual report, interim quarterly reports, and management's discussion and analysis, without charge, by writing to the Corporation at its head office. Additional copies of this Circular are also available on request. Such documents are also available through the internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) which can be accessed at www.sedar.com. Information relating to fees paid to the external auditor can be found in the section of the Corporation's Annual Information Form dated February 25, 2022 entitled "External Auditor Service Fees".

APPROVAL OF BOARD OF DIRECTORS

The contents of this Circular and the sending of it to the shareholders of the Corporation, to each director of the Corporation, to the auditor of the Corporation and to the appropriate governmental agencies have been approved by the Board of Directors of the Corporation.

DATED the 21st day of March, 2022.

ANDREA E. DALY
Managing Director, General Counsel
and Secretary

ONEX corporation