



HUMAN RESOURCES AND COMPENSATION COMMITTEE CHARTER

PURPOSE

The Human Resources and Compensation Committee (the “Committee”) of Precision Drilling Corporation (the “Corporation”) is a standing committee of the board of directors of the Corporation (the “Board” or the “Board of Directors”) appointed to assist the Board of Directors in fulfilling its oversight responsibilities for human resources policies, executive compensation, pension and benefit programs, succession planning and employee development.

COMMITTEE RESPONSIBILITIES

The Committee shall:

Compensation and Benefits

- establish and oversee the design of the Corporation's overall compensation policies and the development and implementation of compensation programs;
- review and approve, for recommendation to the Board of Directors, the goals and objectives relevant to the compensation of the Chief Executive Officer (“CEO”) and the senior executive officers who report directly to the CEO;
- evaluate the performance of the CEO and the senior executive officers who report directly to the CEO in light of their respective corporate goals and objectives;
- evaluate and ensure the competitiveness of the compensation package of the CEO and senior executive officers who report directly to the CEO. In conducting such review, the Committee may consider, among other things, as appropriate:
 - the compensation packages, including short and long-term incentive plan awards, for the prior year,
 - the Committee’s evaluation of the performance of the CEO and the other senior officers;
 - the CEO’s evaluation of the performance of the other senior officers,
 - the Corporation’s performance and shareholder return,
 - whether such compensation packages reflect an appropriate balance between short and long-term incentives to improve performance of the Corporation,
 - the balance of risk and reward imbedded in the compensation plan structure, and
 - the competitiveness of the package including the value of similar incentive awards paid to equivalent officers and positions at comparable companies;
- review and recommend, for approval by all independent members of the Board of Directors:

- all forms of compensation for the CEO;
- the executive employment agreement of the CEO;
- review and recommend, for approval by the Board of Directors:
 - all forms of compensation for the senior executive officers who report directly to the CEO;
 - any executive employment agreements of senior executive officers who report directly to the CEO in respect of compensation, benefits, or termination arrangements and oversee administration of any such agreements as required;
 - the implementation of, or any changes to equity-based compensation plans, including the Omnibus Incentive Plan, stock option plans, deferred share unit plans, restricted share unit plans and performance share unit plans or any other incentive or compensation plan involving the issuance of securities of the Corporation, subject to limited exceptions determined by Management in accordance with the terms of such plans;
 - actions with respect to the Corporation's equity-based compensation plans including payments and awards made under such equity-based compensation plans and any amendments thereto;
 - the metrics and awards under the Corporation's short-term incentive compensation program
 - the reservation of common shares of the Corporation for the Omnibus Incentive Plan and such other equity-based compensation plans as applicable;
- approve, and report to the Board of Directors:
 - the selection, from time to time, the comparator group of companies to be used for director and executive compensation purposes;
 - the implementation of, or changes to, any other company-wide compensation plan or employee benefit program;
- delegate the ongoing supervision of the administration of the benefit and governance aspects of the Corporation's pension plan to a pension committee, comprised of members of the Corporation's management team appointed by this Committee in accordance with the terms of the pension committee's charter, which terms shall be approved by this Committee;
- with respect to the oversight of the benefit and governance aspects of the Corporation's pension plan, specifically to:
 - monitor activities of the pension committee and receive updates at least quarterly or as otherwise required by applicable law on pension plan administration, including compliance of the Corporation's pension plan with applicable law;
 - consider and approve any major benefit changes in the Corporation's pension plan after consultation with the Audit Committee in respect of any significant effect such changes may have on pension financial matters;
 - make recommendations to the Board on any of the Corporation's pension plan initiatives, terminations or conversions;
 - provide advice to the Board on any matters concerning pension plan governance;

- undertake, on behalf of, and report, to the Board of Directors, such other compensation initiatives as may be necessary or desirable to contribute to the success of the Corporation and enhance shareholder value;

Human Resources

- review, in consultation with Management, the Corporation's performance management processes;
- review, in consultation with Management, the Corporation's talent management processes and training programs and alignment with the Corporation's strategic objectives;
- review the recommendations from the CEO regarding the appointment of officers, for recommendation to the Board of Directors;
- receive informational reports regarding organization and talent management strategies;
- annually review, with the CEO, the Position Description for the CEO, and with the Committee's discretion, recommend any changes to the Corporate Governance, Nominating and Risk Committee for consideration;
- annually review the succession, including designated emergency replacement, and development plans of the CEO and officers in consultation with the CEO;

Reporting and Disclosure Requirements

- oversee an annual executive compensation risk assessment;
- approve and report to the Board of Directors the executive compensation discussion and analysis to be included in the Corporation's management information circular and/or such other public disclosure document as applicable;
- review and report to the Board of Directors the results of any shareholder advisory vote on executive compensation held in accordance with the applicable policies of the Corporation;

Share Ownership Guidelines

- review director and executive share ownership and recommend to the Board of Directors any amendments to the directors' and officers' share ownership guidelines;

Committee Governance

- annually establish a set of objectives for the Committee for the respective calendar year, with the status of such objectives to be reviewed and evaluated by the Committee on a quarterly basis;
- meet in separate non-Management, closed sessions with any other internal personnel or external advisors, as necessary or appropriate; and
- review annually its own performance;

Committee Establishment, Structure and Authority

(a) Composition

The Committee shall consist of no fewer than three members, at least 25 percent of whom must be resident Canadians. Each member of the Committee shall be "independent" in accordance with: (i) Canadian Securities Administrators National Instrument 58-101 (other than for purposes of membership in the Audit Committee); (ii)

Section 303A.02 of the NYSE Listed Company Manual; and (iii) any additional requirements or guidelines for compensation committee service under applicable securities laws and the rules of any stock exchange on which the shares of the Corporation are listed for trading.

(b) **Appointment and Replacement of Committee Members**

Each member of the Committee shall serve at the pleasure of the Board of Directors. Any member of the Committee may be removed or replaced at any time by the Board of Directors and shall automatically cease to be a member of the Committee upon ceasing to be a director of the Corporation. The Board of Directors shall fill any vacancy if the membership of the Committee is less than three Directors or minimum Canadian residency requirements are not met. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all their power so long as a quorum remains in office and the minimum Canadian residency requirements are met.

Subject to the foregoing, the members of the Committee shall be appointed by the Board of Directors annually and each member of the Committee shall hold office until the next annual meeting of the shareholders of the Corporation after his or her appointment or until his or her successor shall be duly elected or appointed.

(c) **Quorum**

A majority of the Committee with at least 25 percent resident Canadians present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to each other, shall constitute a quorum.

(d) **Review of Charter and Position of the Committee Chair**

The Committee shall review and reassess the adequacy of this Charter and the description of the Committee Chair description at least annually and otherwise as it deems appropriate, and recommend changes to the Corporate Governance, Nominating and Risk Committee of the Board of Directors. The Committee shall reference this Charter in establishing its annual goals and meeting objectives.

(e) **Delegation**

The Committee may delegate from time to time to any individual member or sub-committee of members, any of the Committee's responsibilities that lawfully may be delegated.

(f) **Reporting to the Board of Directors**

The Committee will report, through the Chair of the Committee, to the Board of Directors on matters considered by the Committee, its recommendations and performance relative to its annual objectives and its Charter.

(g) **Committee Chair Responsibilities**

The Board of Directors shall appoint a Chair of the Committee who is expected to provide leadership to the Committee to enhance its effectiveness. In such capacity, the Chair of the Committee will perform the duties and responsibilities set forth in the "Position Description - Human Resources and Compensation Committee Chair".

(h) **Absence of Committee Chair**

If the Committee Chair is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.

(i) **Calling of Meetings**

Any member of the Committee, the Chairman of the Board of Directors or the Corporate Secretary of the Corporation may call a meeting of the Committee. The Committee shall meet at least four times per year and as many additional times as needed to carry out its duties effectively.

(j) **Notice of Meetings**

Notice of the time and place of every meeting shall be given in writing or electronic communication to each member of the Committee at least 48 hours prior to the time fixed for such meeting; provided, however, that a member may in any manner waive notice of a meeting.

Attendance of a member at a meeting is a waiver of notice of the meeting except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.

(k) **Procedure, Records and Reporting**

Subject to any statute or articles or by-laws of the Corporation, the Committee shall fix its own procedures at meetings, keep records of its proceedings and report to the Board of Directors, generally not later than the next scheduled meeting of the Board of Directors that follows the Committee meeting. In discharging its responsibilities, the Committee shall have full access to any relevant records of the Corporation.

(l) **Attendance of Others at Meetings**

The Committee may request any officer or employee of the Corporation to attend a meeting of the Committee or meet with any members of, or consultants to, the Committee.

(m) **Outside Experts and Advisors**

The Committee may retain, and set and pay the compensation to, any outside expert or advisor, including but not limited to human resources advisors, legal, accounting, financial or other consultants, at the Corporation's expense, in order to permit the Committee to carry out its duties. The Committee will assure itself as to the independence of any outside expert or advisor. In making such determination the Committee will consider all factors relevant to the outside expert or advisor's independence from management including:

- the provision of other services to the Corporation by the outside expert or advisor;
- the amount of fees received from the Corporation by the outside expert or advisor, as a percentage of the total revenue of the outside expert or advisor;
- the policies and procedures of the outside expert or advisor that are designed to prevent conflicts of interest;

- any business or personal relationship of the outside expert or advisor with a member of the Committee or with an executive officer of the Corporation; and
- any securities of the Corporation owned by the outside expert or advisor.

Approved effective July 31, 2018