

COMPENSATION COMMITTEE CHARTER

The Compensation Committee (the “**Committee**”) is a committee of the board of directors (the “**Board**”) of SMART Technologies Inc. (the “**Company**”) that acts on behalf of and subject to the direction of the Board in all matters pertaining to the recruitment, appointment, compensation, benefits and termination of senior executives of the Company.

1. Reporting

The Committee will report to the Board.

2. Composition of Committee

The Committee will consist of at least one and not more than eight directors,; all of whom qualify as independent directors pursuant to National Instrument 58-101. Member qualifications will include board experience or familiarity and an understanding of people policy issues and compensation programs.

3. Appointment of Committee Members

Members of the Committee will be appointed by the Board on the recommendation of the Corporate Governance and Nominating Committee. Any Committee member may be removed or replaced at any time by the Board and will, in any event, cease to be a member of the Committee upon ceasing to be a member of the Board.

4. Vacancies

The Board may fill vacancies in the Committee. Whenever a vacancy exists on the Committee, the remaining members may exercise all of its powers, so long as a quorum of members remains in office.

5. Tenure

The Board will appoint members of the Committee annually following the Company’s annual general meeting. Each member of the Committee will hold office until retirement as a member, or until his or her term as a member of the Board is terminated.

6. Chair

The Board will, on the recommendation of the Corporate Governance and Nominating Committee, designate one of the Committee members as chair of the Committee (the “**Chair**”).

If the Chair is unavailable to attend a meeting of the Committee, the Committee may elect, by a vote of a majority of members of the Committee present at the meeting, one of its members present at the meeting to preside over the meeting.

The Chair will have the responsibilities set forth in the “Committee Chair” section of the “Chair of the Board of Directors and Committee Chair General Guidelines” charter. The Chair will not have a casting vote.

7. Secretary

The Committee will appoint a Secretary who need not be a member of the Committee or a director of the Company. The Secretary will keep minutes of meetings of the Committee.

8. Committee Meetings

The Committee will meet at least semi-annually at the call of the Chair at times and places to be determined by the Committee. The Chair may call additional meetings as required.

Committee meetings may be held in person, by video conference, by means of telephone or by any combination of the foregoing. The Committee may convene in-camera sessions from time to time, as appropriate.

9. Notice of Meeting

Notice of the time and place of each meeting may be given orally, in writing, by facsimile or by other electronic communication to each member of the Committee at least 48 hours prior to the time fixed for the meeting.

A member may in any manner waive notice of a meeting. Attendance of a member at a meeting will constitute 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 basis that the meeting was not lawfully called.

10. Agenda

The Chair will, in consultation with the CEO as appropriate, establish the agenda of meetings and, where possible, circulate materials sufficiently in advance to provide adequate time for review prior to the meeting.

11. Quorum

A majority of the Committee members, present in person, by video conference, by telephone or by a combination of these means will constitute a quorum.

The powers of the Committee may be exercised at a meeting where a quorum is present or by resolution in writing signed by all members of the Committee entitled to vote on that resolution at a meeting of the Committee.

12. Attendance at Meetings

The Lead Director may attend any Committee meeting as a non-voting participant.

The CEO will be invited to attend meetings as a non-voting participant.

The Committee may, by invitation, permit others to attend any meeting.

The Committee may request the presence of specified members of executive management at a meeting and in this case, the executive management member will attend, if reasonably practical.

13. Minutes

The Committee will ensure that minutes of its proceedings are kept on a regular basis. The Committee will ensure that the full Board is kept informed of the Committee's activities by reports provided in a timely fashion after each Committee meeting.

14. Specific Responsibilities – People and Compensation Issues

In carrying out its mandate with respect to people and compensation issues, the Committee is expected, on an ongoing basis as appropriate, to:

- (a) Review the organizational structure of the Company.
- (b) Review the recruitment, appointment and termination of senior executives of the Company, which for the purposes of this Charter means the Executive Chair, the CEO, the Chief Financial Officer, the Chief Operating Officer, General Counsel and any other senior employees designated for this purpose by the Committee from time to time (this group being referred to below as the “**Senior Executive Management Group**”), and make recommendations to the Board and/or management as appropriate.
- (c) Review management succession plans and processes of the Senior Executive Management Group and make recommendations to the Board and/or management as appropriate.
- (d) Review long-term incentive programs for the Company's Senior Executive Management Group and make recommendations to the Board and/or management as appropriate.
- (e) Review the Company's goals and objectives relevant to the Senior Executive Management Group's compensation and make recommendations to the Board and/or management as appropriate.
- (f) Review the annual salary, bonus, pension, severance and termination arrangements, and other benefits, direct and indirect, of the Senior Executive Management Group and make recommendations to the Board and/or management as appropriate.
- (g) Review and approve, when and if appropriate, the Senior Executive Management Group's employment agreements, severance agreements and change of control agreements.
- (h) Review the compensation of members of the Board and of Board committees and make recommendations to the Board.
- (i) Undertake annual performance evaluations of the Executive Chair and the CEO.
- (j) Review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of such goals and objectives and make recommendations to the Board with respect to the CEO's compensation level based on this evaluation.
- (k) Review and approve (or at the discretion of the Committee, make recommendations to the Board) recommendations concerning the operation of employee compensation plans,

including the terms, eligible participants, vesting, price and incentive targets and the exercise of any discretion provided for in these plans.

- (l) Recommend to the Board the granting of options, awards, or rights pursuant to any share option, purchase plan or incentive plan.
- (m) Review any proposed disclosure relating to executive compensation before the Company publicly discloses this information. In particular, review, comment on and approve the Statement of Executive Compensation (including the Compensation Discussion and Analysis and related tables) and recommend it to the Board for inclusion in the annual information circular.
- (n) Review and oversee, with management, the people policies and programs that are of strategic significance to the Company and make recommendations thereon, as required, to the Board.
- (o) Review the Committee's charter at least annually and recommend changes as appropriate to the Corporate Governance and Nominating Committee.
- (p) Evaluate the performance of the Committee, at least annually.
- (q) Perform such other duties and responsibilities, consistent with this mandate, delegated to the Committee by the Board.

15. Miscellaneous

The Committee will have full access to executive management and to records of the Company as reasonably required to discharge its responsibilities.

The Committee may engage outside resources and advisors at the expense of the Company, if deemed advisable. The Committee will have sole authority to engage, compensate (at the expense of the Company) and terminate any consultant proposed to assist in the evaluation of Senior Executive Management Group compensation.

The Committee, upon approval by a majority of its members, may delegate its duties and responsibilities to subcommittees comprised of one or more members.

The Committee may, to preserve required or desirable confidentiality or privacy concerns, limit disclosure of its proceedings or decisions as reasonably required and appropriate.