

The mandate of the Human Resources and Compensation Committee (the "Committee") consists in ensuring the direction and implementation of the Corporation's wage and compensation policies, including, the Stock Option Plan, the Share Unit Plan and the Deferred Share Unit Plan and its pension plans and programs, and in ensuring that a succession plan is put in place to deal with the Corporation's future needs regarding human resources.

## **1. COMPOSITION**

The Board of Directors (the "Board") shall appoint a minimum of three of its members to the Committee, all of whom shall be independent. One member of the Committee shall as Committee Chair.

The members of the Committee shall be appointed or changed by resolution of the Board to hold office from the time of their appointment until the next annual meeting of shareholders or until their successors are so appointed. The Board may remove or replace a member of the Committee at any time. A member shall cease to be a member of the Committee upon ceasing to be a director.

The Committee shall fix its own procedure at meetings and for the calling of meetings. Unless waived by the members of the Committee, the Committee shall meet separately "in camera" at each Committee meeting at which members of management are not in attendance, to allow its members to discuss openly and candidly.

Unless otherwise decided from time to time by the Board, two members of the Committee shall constitute quorum for the transaction of business at a meeting. For any meeting(s) at which the Committee Chair is absent, the Chair of the meeting shall be the person present who shall be decided by a majority of the members present. At a meeting, any question shall be decided by a majority of the votes cast by members of the Committee. The Corporate Secretary or Assistant Corporate Secretary shall be the secretary of the Committee.

To discharge its responsibilities, the Committee has the authority appropriate to retain at the expense of the Corporation external consultants and experts.

## **2. DUTIES AND RESPONSIBILITIES**

The duties and responsibilities of the Committee are established by the Board and include, amongst others, the following:

### **a) General Responsibilities**

- (i) Examine the Corporation's wage and compensation policies and make recommendations to the Board regarding the adoption of such policies, as well as any amendments required as a result of any new laws or regulations;
- (ii) Assess the competitiveness of the Corporation's compensation policies and practices and report the results or findings of its assessments to the Board;
- (iii) Examine and, if applicable, review the Stock Option Plan, Share Unit Plan, Deferred Share Unit Plan and such other incentive plan approved by the Board, evaluate these plans and make recommendations to the Board regarding any amendments deemed necessary as a result of the enactment of any new applicable laws or regulations or resulting from new market trends;

- (iv) Monitor the administration of the Stock Option Plan, the Share Unit Plan, the Deferred Share Unit Plan and such other incentive plan approved by the Board, and recommend to the Board grants of stock options, share units or other types of stock-based compensation other than grants to Directors who are not also employees of the Corporation;
- (v) Examine and, if applicable, review annually the pension plans offered to employees, senior executives and executive officers;
- (vi) Review the management reports of the pension committees and report to the Board;
- (vii) Review on an annual basis the organizational structure and the succession planning program with respect to senior management;
- (viii) Review the Committee's mandate on an annual basis and make recommendations to the Board regarding the adoption thereof;
- (ix) Review the executive compensation information before it is publicly disclosed in the Corporation's management proxy circular; and
- (x) Carry out any other mandate that the Board may give from time to time.

**b) Responsibilities Concerning the President and Chief Executive Officer**

- (i) Define the role and responsibilities of the President and Chief Executive Officer and make recommendations to the Board for their approval;
- (ii) When hiring a new President and Chief Executive Officer, determine the Corporation's objectives regarding this position review the role and responsibilities in light of such objectives, approve the profile of the desired candidate with the help and support of the Chairman of the Board and the Human Resources management. If a mandate is given to outside advisors, review the list of potential candidates and approve the shortlist of candidates, participate in the final decision and make recommendations to the Board for approval;
- (iii) Review and approve annually, in collaboration with the Lead Director, the objectives of the Corporation as they pertain to the compensation of the President and Chief Executive Officer, evaluate his performance in light of these objectives, establish the acceptable level of compensation based on this evaluation and make recommendations to the Board with respect thereto; and
- (iv) Review and approve any decision with respect to the cessation of employment of the President and Chief Executive Officer and his severance package, if any, and make recommendations to the Board for approval.

**c) Responsibilities Concerning Senior Management**

- (i) Determine annually the positions comprised in senior management;

- (ii) Recommend to the Board new candidates to the positions identified by the Board as comprising senior management;
- (iii) Review and approve the hiring, the compensation and the employment conditions of senior management;
- (iv) Review, if applicable, the severance packages negotiated in employment contracts or upon termination of employment of senior management; and
- (v) Review annually the development programs for senior management.

The Committee reports to the Board after every Committee meeting.