

**TERMS OF REFERENCE FOR THE HUMAN RESOURCES COMMITTEE**

The Board of Directors has established the Human Resources Committee of the Board (the “Committee”) to analyze, in depth, policies and strategies developed by management in the areas of human resources, talent, succession, compensation, benefits and pension.

For the purposes hereof, “Executive Management” means the CEO, all members of the Executive of the Corporation (Vice President level and above) and such other officers of subsidiaries of the Corporation as the CEO may designate. The “Leadership Team” means the CEO, the Chief Financial Officer, the Chief Human Resources Officer, the Chief Information Officer, the country operational Presidents and any other employees of the Corporation as the CEO may designate.

**I. MANDATE**

**A. Human Resources**

The mandate of the Committee is to:

- i. ensure, at a strategic level, that there are appropriate and effective Human Resources policies in place setting out the philosophy for the employment and motivation of the Corporation’s staff and their understanding of and engagement in the interests and success of both the group and the particular business in which they work, consistent with the Corporation’s purpose, vision and values statement, and to promote competencies that enable the Corporation’s strategy; and
- ii. regularly review with the Chief Executive Officer (the “CEO”) the CEO’s plans for the structure, development and succession of the Leadership Team.

**B. Compensation**

The Committee shall work to continuously improve the Corporation’s philosophy and guidelines on compensation. The Committee shall ensure a broad plan of executive compensation is established that is competitive and motivating in order to attract, hold and inspire the Executive Management and other key employees, while taking into account the overall cost of compensation of the Executive Management and the interests of the Shareholders.

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**C. Pension**

The Committee shall work to ensure that the key elements of design within the Corporation's pension plans remain appropriate and effective.

**II. MEMBERSHIP**

**A.** The Committee shall consist of at least four directors of the Corporation including the Chair of the Committee. The Board, on the recommendation of the Corporate Governance Committee, will appoint and remove the Committee members by a majority vote. All members of the Committee will be independent directors (as "independent" is defined in the Guidelines for the Board of Directors).

**B.** The Board, on the recommendation of the Corporate Governance Committee and Board Chair, will appoint the Chair of the Committee from the Committee members by a majority vote. The Chair of the Committee will hold such position until otherwise determined by the Board.

**III. MEETINGS**

**A.** The Committee will meet not less than four times per year. Any member of the Committee may call meetings of the Committee. Notice of such meetings shall be provided in advance in the manner specified by each member of the Committee as their preferred method.

**B.** The Committee may meet, if necessary, with the Audit Committee to jointly review changes recommended by the Management Pension Committee, or individuals delegated by the Chief Executive Officer, if appropriate, with respect to the establishment of, or material changes to, any of the Corporation's pension plans that would fundamentally change the nature of the benefits provided by the pension plan.

**C.** The CEO and the person holding the most senior human resources position in the Corporation will attend meetings of the Committee at the pleasure of the Committee with the exception that the CEO or any other member of the Executive Management may not be present during voting or deliberations on his or her compensation.

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- D.** The quorum necessary for transaction of business at Committee meetings will be a majority of the members of the Committee.
- E.** The Chair of the Committee will appoint a Secretary for each meeting. The Committee will maintain minutes of its meetings.
- F.** The Committee will hold an in camera session without the CEO and any management present as part of each Committee meeting.
- G.** The Committee will, on a quarterly basis, report to the Board on its activities, decisions and the execution of its mandate as described herein.
- H.** The Committee has the authority to communicate directly with the most senior human resources employee of the Corporation and any member of Executive Management regarding any matter within the mandate of the Committee as it deems appropriate in the circumstances.

**IV. DUTIES AND RESPONSIBILITIES**

Subject to the powers and duties of the Board, the Board hereby delegates to the Committee the following powers and duties to be performed by the Committee on behalf of the Board.

**A. HUMAN RESOURCES**

The Committee shall have the following duties and responsibilities with respect to Human Resources:

- i. on an annual basis review, together with the Chief Human Resources Officer, Executive Management's compliance with the Corporation's share ownership guidelines, including any plans developed to facilitate compliance by Executive Management with such guidelines;
- ii. on regular basis, review the organizational structure and report any significant organizational changes, along with the Committee's recommendations, to the Board for approval;
- iii. at least once annually, together with the CEO, review and approve or determine succession plans for the Leadership Team, including specific development plans and career planning for potential successors;

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- iv. review and recommend to the Board for approval the succession plan for the CEO;
- v. review as frequently as the Committee considers advisable, the engagement of the workforce; and
- vi. review and recommend to the Board for approval any proposed appointment of any person to the Leadership Team and any proposed appointment of any corporate officer of the Corporation.

**B. COMPENSATION**

The Committee shall have the following duties and responsibilities with respect to Compensation:

- i. propose and review for recommendation to the Board for approval the establishment of, or any material changes to, compensation plans, their guidelines and policies, including incentive plans, benefit and perquisite plans, all equity-based compensation plans, and pension plan design. Any material changes to pension plan design will be recommended jointly with the Audit Committee;
- ii. review and recommend to the Board for approval the CEO's goals and objectives that are relevant to compensation; assess the CEO's performance against these goals; lead the CEO review process and report the results of the process to the Board; and based on the evaluation recommend any CEO compensation changes to the Board;
- iii. review and approve or determine at least once annually, the compensation (including incentive awards) of each member of the Leadership Team, taking into account the evaluation and recommendation of the CEO and the overall structure of compensation of the Executive Management, and report its broad conclusions to the Board;
- iv. review and approve or determine, on an as needed basis, the levels and types of benefits and perquisites, that may be granted to the Leadership Team, in accordance with the terms of any applicable employee benefit plans and guidelines established by the Board;
- v. review and approve or determine all agreements with the Leadership Team, including, but not limited to, employment agreements (including termination provisions), change-in-control arrangements,

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- and any exceptions or departures from the approved terms of such arrangements;
- vi. review and approve any material exceptions granted to employees regarding compensation plan terms and conditions, following legal review, (including incentive plans, retirement pension plans and equity-based compensation plans) either upon hiring, during service with the Corporation, or upon termination;
  - vii. following the approval of, and establishment by, the Board of equity-based compensation plans, and within any guidelines established by the Board with respect to the granting of stock options, deferred share units or other equity-based compensation the Committee will:
    - a. review management’s recommendations for and recommend to the Board for approval, grants under such plans to Executive Management and other eligible participants in such plans;
    - b. annually consider the CEO’s authority, so long as it has been approved by the Board, to make discretionary awards of attraction grants to candidates at the senior executive level under the Corporation’s Long-Term Incentive Plan (LTIP), and recommend to the Board any changes in, or the cancellation of, such authorization as the Committee determines appropriate;
    - c. review management’s report on a quarterly basis of any discretionary awards of attraction grants under the Corporation’s LTIP made by the CEO pursuant to the authority under b. above;
    - d. propose, and review and recommend for Board approval any amendments to such plans; and
  - viii. as part of the Corporation’s overall risk management process, the Committee will review, on an annual basis, the risk framework of the Corporation’s executive compensation program as it relates to its strategy, philosophy, principles, and design. In its assessment, the Committee shall consider and identify any compensation programs or processes that could potentially encourage an executive at a principal business unit or division to take inappropriate or excessive risk or that are reasonably likely to have a material adverse impact on the Corporation, within the context of the Corporation’s overall risk tolerance.

**C. INDEPENDENT CONSULTANT**

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The Committee has the authority to hire and terminate an independent consultant(s) to assist in the fulfillment of its responsibilities and evaluation of Executive Management proposals. The Committee shall authorize the work, including the fees to be charged, of such consultant(s) and review the expenditures annually. .

**D. OTHER DUTIES**

Under the authority of the Board, the Committee shall,

- i. monitor the Executive Management who hold positions on other boards of directors. In particular the Committee will:
  - a. review the type and number of such boards on which individual member of Executive Management participate and, upon consultation with the CEO, have a right to deny such a membership;
  - b. confirm in writing, through the CEO, to such member of Executive Management that, unless such person holds such position at the Corporation's written request, the Corporation shall not indemnify the employee nor be exposed to liability with respect to the employee's participation on such board;
- ii. approve the reports on executive compensation in all disclosure documents including the Corporation's Management Proxy Circular;
- iii. at least annually, review and evaluate the adequacy of the Terms of Reference and report its recommendation for any change to the Corporate Governance Committee;
- iv. at least annually, review and evaluate the Committee's performance and report its evaluation and recommendation for any change to the Corporate Governance Committee; and
- v. assume responsibility for any other task that the Board assigns to it.

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	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>A. Human Resources</b>												
i. Annually review Executive Management’s compliance to share ownership guidelines								√				
ii. Review organization structure on a regular basis.		√			√			√			√	
iii. Review, at least annually, succession plans for the Leadership Team, including specific development plans and career planning.											√	
iv. Review and recommend for approval the CEO succession plan.											√	
v. Review the engagement of the workforce, as required by the Committee.		√			√			√			√	
vi. Review and recommend the Leadership Team appointments and Corporate Officer appointments.		√			√			√			√	
<b>B. Compensation</b>												
i. Recommend any material changes to compensation plans, guidelines and policies for Executive Management including incentive plans, benefit and perquisite plans, all equity-based compensation plans and pension plan design.		√			√			√			√	
ii. a. Review and recommend for approval CEO goals and objectives b. Review CEO’s performance against goals and objectives in-camera at each Committee meeting c. Assess CEO performance, lead CEO review process, and recommend for approval CEO compensation changes		√			√			√			√	
iii. Review and approve, at least annually, compensation of the Leadership Team as well as the benefits & perquisites.		√										
iv. Review and approve benefits and perquisites of the Leadership Team		√										

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v. Review and approve all the Leadership Team agreements		√			√			√			√	
vi. Review and approve any materials exceptions granted to employees, following legal review, regarding compensation plan terms and conditions		√			√			√			√	
vii. a. review management’s recommendations for and recommend to the Board for approval grants under such plans to Executive Management and other eligible participants in such plan; b. annually consider the CEO’s authority to make discretionary awards of attraction grants; c. review management’s report on a quarterly basis of any discretionary awards under the CEO’s authority; d. propose, and review and recommend for Board approval any amendments to such plans.		√			√			√			√	
					√			-			-	
		√			√			√			√	
		√			√			√			√	
viii. Review, on an annual basis, the compensation risk framework								√				
<b>C. Independent Consultants</b>												
Review, annually, the expenditures for the Committee’s independent consultant(s).		√										

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<b>D. Other Duties</b>												
i. For-Profit and Non-profit organization boards, review the number and nature of such boards on which Executive Management participate. Confirm in writing the Corporation shall not indemnify Executive Management for participation on such boards							√					
ii. Review and approve the Committee report for publication in Corporation's Management Proxy Circular.		√										
iii. Review annually the Committee's Terms of Reference					√							
iv. Review annually the Committee's performance and report to Corporate Governance Committee.		√										
v. Such other powers and duties as delegated to it by the Board.		√			√		√				√	