



Charter Compensation Committee

1. Purpose

- 1.1. The main purposes of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of the Company, without prejudice of any additional objectives or functions foreseen in this Charter, are to (i) evaluate and recommend for approval by the independent members of the Board the remuneration, benefits and incentive compensation arrangements for the key executive officers of the Company; (ii) establish performance indicators against which the key executive officers of the Company will be evaluated; (iii) evaluate and review the identification, recruitment and succession planning for key officers of the Company; and (iv) review and recommend to the Board any changes to the remuneration of the Non-Executive Directors of the Company.

2. Composition

- 2.1. The Committee shall be comprised of at least three independent directors, appointed by the Board on the recommendation of the Nomination and Corporate Governance Committee. The independence of the members shall be determined by the Board in accordance with the procedure set forth in the Company’s Corporate Governance Guidelines. Members may be removed by the Board at any time and if any member resigns or is removed as a Board member, he/she will automatically be deemed to have resigned or have been removed from the Committee.
- 2.2. The Board shall appoint the Chair of the Committee on the recommendation of the Nomination and Corporate Governance Committee. In the absence of the Committee Chair at a meeting, the remaining members present shall elect one of their members to chair the meeting. The Chair of the Board shall not be eligible to be appointed as Chair of the Committee.

3. Meetings

- 3.1. **Quorum:** The quorum necessary for the transaction of business shall be the majority of the members of the Committee. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee. The Committee shall make decisions, and make recommendations to the Board, by a majority vote of members participating in the meeting.
- 3.2. **Frequency:** The Committee shall meet at least twice a year and at such other times as any member of the Committee determines necessary or advisable. Meetings of the Committee shall be summoned by the Secretary of the Board or any other person designated by the Committee at the request of any member of the Committee, of the Chief Executive Officer or of the Chair of the Board, if they consider it necessary. The Committee shall meet in executive session on compensation matters pertaining to the Chief Executive Officer. The Committee shall develop and approve toward the end of the preceding year, the annual calendar and the tentative agenda of its meetings.
- 3.3. **Agenda:** The agenda of each Committee meeting shall be developed by the Chair of the Committee in advance of the meeting, with input from other members of the Committee, members of the Board and senior members of management, as applicable.

- 3.4. **Notice:** Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and to any other person required to attend. Board members or management, as applicable, shall endeavour to send the supporting materials to the Committee members and to other attendees as appropriate at least three days in advance of the meeting.
- 3.5. **Form of meetings:** Meetings of the Committee may be conducted when the members are physically present or in the form of either video or audio-conferences. The Committee may also act by unanimous written resolutions of its members in lieu of a meeting.
- 3.6. **Attendance:** Only members of the Committee shall have the right to attend and vote at Committee meetings. However, other individuals such as the Chief Executive Officer, the Head of Human Resources and external advisers of the Company may be invited to attend for all or part of any meeting as and when appropriate. No executive officer, including the Chief Executive Officer, shall attend that portion of any meeting of the Committee when such executive's individual performance or compensation is being discussed.

4. Minutes of Meetings

- 4.1. The Secretary of the Committee shall be the Secretary of the Board unless another person is nominated by the Committee. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those in attendance.
- 4.2. The Secretary should ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

5. Responsibilities

The Committee shall:

5.1. Compensation Philosophy

- 5.1.1. Review and approve the Company's overall executive compensation philosophy to ensure that it appropriately links management interests with those of the Company and its shareholders and rewards executives for their contributions.

5.2. Compensation of Chief Executive Officer

- 5.2.1. Review and approve written annual and longer-term corporate goals and objectives relevant to the Chief Executive Officer's compensation, making sure that they are appropriately linked to the Company's strategy.
- 5.2.2. Evaluate the Chief Executive Officer's performance in light of those goals and objectives previously established.
- 5.2.3. Recommend for approval of the independent members of the Board the Chief Executive Officer's compensation level on an annual basis based on the evaluation, including, without limitation, salary, bonus and incentive compensation levels, deferred compensation, executive perquisites, equity compensation, severance arrangements and other direct and indirect benefits.

5.3. Compensation of Other Key Executive Officers

- 5.3.1. In consultation with the Chief Executive Officer, review and approve written annual and longer term corporate goals and objectives relevant to the compensation of the other key executive officers of the Company, as defined by the Committee, making sure that they are appropriately linked to the Company's strategy.

- 5.3.2. In consultation with the Chief Executive Officer, evaluate the performance of the other key executive officers of the Company in light of those goals and objectives previously established.
- 5.3.3. Taking into consideration the recommendations of the Chief Executive Officer, review and recommend for adoption by the independent members of the Board the compensation level of such key executive officers on an annual basis based on the evaluation, including, without limitation, salary, bonus and incentive compensation levels, deferred compensation, executive perquisites, equity compensation, severance arrangements and other direct and indirect benefits.
- 5.3.4. Periodically review the competitiveness of the compensation levels of the Chief Executive Officer and the other key executive officers.
- 5.3.5. Periodically review and make recommendations to the Board with respect to key contractual clauses of employment agreements with executive officers, such as severance protection, clawback, and change of control provisions.

5.4. Incentive Compensation

- 5.4.1. Review annually and recommend for Board approval the adoption, amendment or termination of all incentive compensation plans, including equity-based plans, such as stock award plans, stock option plans, stock appreciation rights plans, pension and profit sharing plans, stock bonus plans, stock purchase plans, deferred compensation plans and similar programs.
- 5.4.2. Approve any grants of stock-based awards under these plans, administer the plans and approve plan payouts, as well as exercise such other powers and authority as may be permitted or required under such plans, including delegation of the authority to administer such plans or make awards thereunder to the extent authorized by the plans and applicable law.

5.5. Board of Directors' Compensation

- 5.5.1. Annually review the amount and form of compensation paid (i) to the Non-Executive Directors for their service (a) as members of the Board and (b) as members and Chairs of Board committees; and (ii) to the Chair of the Board, making recommendations to the Board of any changes if appropriate, taking into consideration market and regulatory standards and the potential impact of remuneration on Directors' independence.
- 5.5.2. Review the appropriate balance of stock and cash payments in order to foster Directors' stock ownership and align Directors' interests with those of the Company and its shareholders.

5.6. Stock Ownership Guidelines

- 5.6.1. Periodically review the need and make recommendations to the Board with respect to the adoption or modification of executive officer and Director share ownership guidelines and monitor compliance with any adopted share ownership guidelines.

5.7. Management Succession

- 5.7.1. In consultation with the Chief Executive Officer, the Committee shall work on, assist and propose to the Board succession plan for the position of the Chief Executive Officer.
- 5.7.2. In consultation with the Company's Chief Executive Officer, review the Company's management succession planning for the other key executive officer positions and make any recommendations for changes, if appropriate.
- 5.7.3. Review and oversee the Company's management development plans and key executive officers' evaluations in order to monitor the adequate and desired balance of capabilities and qualifications to manage the Company's strategy and fulfill its long-term value creation.

5.8. Human Resources Matters

- 5.8.1. Review overall compensation practices and policies of the Company, including remuneration, bonuses and benefits, designed to retain, develop and attract talented employees.
- 5.8.2. Oversee the process for identifying and addressing any material risks relating to the Company's compensation policies and practices for all employees, including considering the extent, if any, to which risks arising from the Company's compensation policies and practices are reasonably likely to have any material adverse effects and the extent, if any, to which incentive compensation programs encourage unnecessary or excessive risk taking or illegal or improper behavior by employees.
- 5.8.3. Review the overall budget salary increase for the Company's employees.
- 5.8.4. Periodically review and oversee significant consulting contracts entered into by the Company and make recommendations to the Board if appropriate.

5.9. Committee Self-Assessment

- 5.9.1 Biennially conduct a self-evaluation of its performance.

6. Reporting Responsibilities

- 6.1. The Committee shall report to the Board on its proceedings after each meeting or at the next subsequent Board meeting after the Committee meeting on all matters within its duties and responsibilities.
- 6.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its Charter where action or improvement is needed.

7. Authority

- 7.1. The Chair of the Committee is authorized to seek any information it requires from any employee of the Company in order for the Committee to perform its duties.
- 7.2. The Committee is authorized to retain or obtain the advice of, at the Company's expense, an independent compensation consultant, independent outside legal counsel or other advisor on any matters within its Charter and the Committee shall be directly responsible for the appointment, compensation and oversight of the work of any such advisors retained by the Committee. The Committee shall take into consideration all factors relevant to the independence of the advisor, including the factors set forth in any applicable securities laws or stock exchange rules, before engagement, and such factors shall be monitored when it is a long-term retainer.
- 7.3. The Committee may perform such other functions and exercise such other powers as may be delegated to it from time to time by the Board.

8. Committee Charter

- 8.1. The Committee shall annually review the adequacy of its Charter and recommend to the Board any proposed changes for approval.