

# Human Resources Committee

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Terms of Reference/Mandate

**September 2018**

## **1. Introduction**

Ensuring appropriate organizational success and the performance management and compensation of the CEO is a critical role of the Board of Directors. In accordance with the Nordiq Canada Governance Manual, the Board of Directors of Nordiq Canada hereby forms a Human Resources Committee (the “Committee”) as a standing committee of the Board.

## **2. Purpose**

To advise the Nordiq Canada Board in determining the performance measures, evaluation and compensation of the Nordiq Canada CEO, as well as advising the Board regarding other issues in Board-CEO relations that may arise from time to time.

## **3. Accountability**

Reports to the Nordiq Canada Board of Directors.

## **4. Mandate**

The Committee contributes expertise and capacity in developing the appropriate performance management structures that will allow the Board to assess, evaluate, develop and compensate the Nordiq Canada CEO. This will involve:

- a. Develop, for approval by the Board, the annual performance measures and assessment criteria that will be used to assess and evaluate the performance of the Nordiq Canada CEO throughout the evaluation period.
- b. Gather information and other monitoring data throughout the evaluation period in order to be able to assess organizational success and CEO performance and progress to achieving the desired results.
- c. Provide a mid-year update to the Board regarding organizational success and CEO performance against the assessment criteria and performance measures.

- d. Prepare, for review by the Board, the CEO performance appraisal developed from the data collected throughout the year, and any other external reports completed during the year. One of these reports should include 360-degree feedback from the organization.
- e. Provide the annual performance appraisal to the CEO, including discussion regarding development opportunities.
- f. Ensure the confidentiality and proper storage of the completed performance appraisal.
- g. Prepare, for Board approval, the suggested compensation package for the CEO for the subsequent year including any training and development investments. The compensation package shall be consistent with the employment contract and the Nordiq Canada compensation policy.
- h. Review Human Resources policies to ensure regulatory compliance.
- i. Ensure appropriate records are kept regarding CEO performance and compensation.
- j. Prepare advice for the Board in response to CEO development, performance or compensation issues that may arise from time to time.
- k. When required lead the process for the selection of a new CEO:
  - Identify the assessment criteria;
  - Initiate and lead the recruiting process; and
  - Make recommendations to the Board regarding candidate selection.
- l. Review the mandate annually in advance of the Annual General Meeting.

## **5. Membership**

- a. The Committee shall be composed of a minimum of three members of the Board of Nordiq Canada, including the Chair.
- b. Committee members referred to in Subsections 5. a. shall be appointed by the Board.
- c. The term of a Committee member appointment is two (2) years and is renewable.
- d. The Board may remove any member of the Committee at its sole discretion.

## **6. Chairperson**

- a. The Chairperson of the Committee shall be the Chair of the Nordiq Canada Board.

- b. The Chairperson is responsible for:
- Providing leadership to the Committee (i.e.: convening meetings; developing agendas; assigning, supervising and coordinating the Committee work); and
  - Representing the Committee in communications where required.

## **7. Decision-Making**

The Committee shall endeavour to make decisions by consensus. In case of disagreement, Committee members shall cast votes.

## **8. Meetings**

- a. The Committee shall determine a meeting schedule that will facilitate achievement of the Committee's work, which shall include at least four meetings per year. Committee meetings may be in person or by any other means that facilitates communication of all attending Committee Members simultaneously.
- b. The Chair may call specific ad hoc meetings to respond to specific HR issues related to the CEO.
- c. Minutes that reflect all significant decisions of the Committee shall be kept at all regular meetings. Minutes shall be provided to the Nordiq Canada Board.
- d. The Committee will report to all Nordiq Canada Board meetings.