
1. INTERPRETATION AND OBJECTIVES

This Charter must be interpreted and applied jointly with the other charters and governance policies adopted by the Board.

This Charter sets forth the fundamental principles endorsed by the board of directors (the "Board") of TSO₃ (the "Corporation") which must take precedence in determining the formation and functioning of the human resources committee (the "Committee").

2. MANDATE

The Committee shall prepare and submit the policy of the human resources of the Corporation to the Board. It shall include a compensation strategy and policy applicable, in particular, to the senior officers of the Corporation.

3. COMPOSITION

- 3.1 The Committee shall consist of at least three (3) members of the Board who are independent directors within the meaning of *Regulation 52-110 respecting Audit Committees* of the Canadian Securities Administrators.
- 3.2 The members shall be appointed and removed by the Board.
- 3.3 The members shall be appointed annually by the Board after the annual meeting of the shareholders of the Corporation.
- 3.4 The Board shall name one of the directors as chair of the Committee. If the chair is absent from a meeting, the members present shall choose a member among them to act as chair of the meeting.
- 3.5 Vacancies on the Committee shall be filled by the Board if it deems appropriate. The failure to fill a vacancy shall not invalidate the decisions of the Committee, provided that a quorum was reached.

4. QUORUM

- 4.1 A quorum is obtained by the presence at the meeting of a majority of the members of the Committee.
- 4.2 There must be a quorum for the entire duration of the meeting to enable the Committee members to validly deliberate and make a decision. However, where a member is temporarily absent from a Committee meeting, he or she is deemed to be present for purposes of establishing a quorum.

5. MEETINGS

- 5.1 Meetings of the Committee shall be held at the call of the chair at least twice (2) per year. Meetings may be called by the Committee chair or the chair of the Board; such notice may also occasionally be made to meet a special request of the management
- 5.2 The notice of meeting for each meeting shall be delivered to each member at least two (2) days before the meeting is held. A copy thereof shall be sent to the chief executive officer.
- 5.3 The Chair must ensure that minutes are kept for each committee meeting.
- 5.4 That Chair of a Committee shall draw up the agenda, shall chair the meetings, and shall submit the reports and recommendations to the Board.
- 5.5 Meetings are held either in the presence of the members, by telephone conference call, or by written resolution signed by all of the Committee members.
- 5.6 The Committee has the duty and authority to appoint paid external advisors where necessary and, if costs exceed \$3,000.00 the approval of the Chairman of the Board shall be necessary.
- 5.7 The Committee may, if necessary, invite any person to attend any meeting and participate in the discussions and review of the Committee's business. The CEO and/or the CFO are automatically invited to attend all meetings and they should withdraw when there is a conflict of interest or an appearance of a conflict of interest.
- 5.8 The minutes of every Committee meeting, duly reviewed by the Committee chair and approved by the Committee, shall be kept in a special register maintained for this purpose at the Corporation's head office.

- 5.9 Once approved, the minutes of every Committee meeting shall be summarized by the Committee chair at a subsequent meeting of the Board.
- 5.10 The Committee members are entitled to receive compensation, as determined by the Board.

6. RÔLES ET RESPONSABILITÉS

6.1 Salary policy and total compensation

The Committee has the following functions and responsibilities:

- 6.1.1 Regularly verify that the Corporation's compensation policies and programs promote the achievement of its business objectives without compromising its viability, solvency or reputation, and report thereon to the Board;
- 6.1.2 Review and recommend to the Board the approval of the salary policy and total compensation programs (including short- and long-term compensation, benefits and the granting of stock options), the method of their distribution, the other employment conditions applicable to the named executive officers, as well as the approval of amendments thereto where required;
- 6.1.3 Ensure the salary policy and total compensation programs are properly applied;
- 6.1.4 Approve any amendments made from time to time to the stock option plan and any other compensation plan of the Corporation;

6.2 Compensation of senior officers

The Committee shall examine the following matters and report on its observations and recommendations to the Board:

- 6.2.1 The selection and appointment of the senior officers on the recommendation of the chief executive officer, except for the recruitment and appointment of the chief executive officer, which is the responsibility of the Corporate Governance Committee;
- 6.2.2 The drafting of the annual objectives that the senior officers are required to achieve and the establishment of a method for assessing the achievement of these objectives;

- 6.2.3 The approval of a benefits plan, including the annual revision of the short- and long-term profit-sharing plans, and the stock option plan of the Corporation;
- 6.2.4 The verification and approval of all significant organizational changes;
- 6.2.5 The adoption of a continuing education program for the senior officers, as needed;
- 6.2.6 The revision and approval of the employment contract and specific arrangements with any senior officer, including the employment termination contracts and related severance packages;

6.3 Succession plan

The Committee shall examine the following matters and report on its observations and recommendations to the Board:

- 6.3.1 Periodic review of the qualifications of the profile for senior officers of the Corporation which is required to hold key senior management positions;
- 6.3.2 Periodic review of the management succession plan and provide assistance to the Board in following up the succession process.

6.4 Proxy solicitation circular

The Committee shall review and recommend the report of the Committee to the Board for purposes of publication in the Management Proxy Solicitation Circular.

7. DIVERS

- 7.1 The Committee shall conduct regular evaluations of its own performance and effectiveness.
- 7.2 The Committee shall periodically review and evaluate the relevance of this Charter and recommend any appropriate changes to the Board.
- 7.3 The Committee shall exercise any other functions entrusted to it by the Board and make appropriate recommendations.