



## **HUMAN RESOURCES COMMITTEE CHARTER**

### **1. Statement of Policy**

The Human Resources Committee of the Board of Directors of COGECO Inc. (the "Committee") shall serve in the role of compensation and human resources committee and of nominating committee.

### **2. Composition, Qualification and Organization of the Committee**

The Committee shall consist of at least three directors. Every member must be independent as such term is defined according to applicable securities laws and regulations.

Members of the Committee are appointed by the Board and serve for such term as the Board may determine.

The Board of Directors designates each year one of the members of the Committee to act as Committee Chair. The Secretary or Assistant Secretary of the Company acts as secretary at the meetings of the Committee.

### **3. Meetings of the Committee**

The Committee shall meet at least two times a year.

The Committee may invite such members of management to its meetings as it may deem desirable or appropriate, subject to the maintenance of confidentiality of the Committee's deliberations where required.

The Committee meets *in camera* at each of its meetings without any member of management, to ensure free and open discussion among the members, unless waived at a particular meeting by the members of the Committee.

### **4. Duties and Responsibilities of the Committee**

The following are the duties and responsibilities of the Committee:

- (a) to establish the Company's general compensation philosophy, in consultation with management and external independent consultants;
- (b) to review and make recommendations to the Board on the general compensation structures of the Company and its major subsidiaries;

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- (c) to review and make recommendations to the Board on the components of overall compensation of senior executive officers consisting of base salary, short-term incentive plan (annual bonus determined on the basis of performance criteria) and the long-term incentive program (stock option and incentive share unit plans), including special conditions applying to senior executive officers such as the senior management special remuneration plan in the event of a change in control of the Company;
- (d) to review the corporate goals and objectives for which the President and Chief Executive Officer is responsible and that are relevant to his compensation and to review and make recommendations to the Board on the suggested level of and/or changes in his overall compensation taking into consideration performance in light of those corporate goals and objectives and competitive compensation practices;
- (e) to review and make recommendations to the Board on the suggested level of and/or changes in the overall compensation of other senior executive officers, taking into consideration individual performance and competitive compensation practices;
- (f) to make recommendations to the Board on any new incentive plan or on any material change to the Company's short-term and long-term incentive plans and to discharge any responsibilities imposed on the Committee by these plans;
- (g) to review the share purchase plan and recommend its adoption by the Board and of any material change to it;
- (h) to review annually the extent to which designated executive officers and directors are meeting minimum share and/or deferred shares units ownership expectations;
- (i) to review periodically trends and developments in the pension area in Canada and make recommendations to the Board on all pension retirement plans of the Company and on any material amendments to these plans;
- (j) to review annually the status of labour relations;
- (k) to review annually Human Resources key performance indicators;
- (l) to review annually health and safety indicators;
- (m) to review annually the results of employee surveys;
- (n) to ensure that the Company has in place the proper processes to deal with the succession of senior executives and directors;
- (o) to make recommendations to the Board on appointments of senior executive officers of the Company;
- (p) to review and to approve any severance or similar termination payments proposed to be made to any senior executive officer of the Company;
- (q) to administer, when authority is delegated to it by the Board, stock options, incentive share unit and other compensation plans;
- (r) to initiate the process of recruiting directors by seeking input and suggestions, including from directors and outside consultants, and, taking into account the competencies, skills

and personal qualities recommended by the Corporate Governance Committee, to bring the proposed candidates as directors forward to the Corporate Governance Committee so that it assesses the proposal for each new Board nominee, and to submit the proposed candidates as directors to the Board before they are submitted to shareholders;

- (s) to make recommendations to the Board on the compensation of the directors, the Board Chair and Committee Chairs;
- (t) in the event of an impending vacancy in the office of the Board Chair, to review and to bring the proposed candidate forward to the Board;
- (u) in the event of an impending vacancy in the office of the President and Chief Executive Officer, to review and to bring the proposed candidate forward to the Board;
- (v) to review, when authority is delegated to it by the Board, any specific risk facing the Company in the compensation and human resources sector and to oversee the implementation by management of appropriate systems to manage these risks;
- (w) to review and approve the compensation discussion and analysis included in the Company's Information Circular;
- (x) to review other information on executives and directors' compensation included in the Company's Information Circular;
- (y) in consultation with management, to retain, if required, the services of an independent firm to advise on the compensation of senior executive officers, including fixing such firm's fees and terms of retention;
- (z) to report to the Board of Directors generally after each of its meetings;
- (aa) to review and reassess annually the adequacy of this Charter and to recommend any changes to the Board of Directors; and
- (bb) to perform such other functions as may from time to time be delegated to the Committee by the Board.

## **5. Delegation to Sub-Committee**

The Committee may, in its discretion and as appropriate, delegate certain of its duties and responsibilities to a sub-Committee of the Committee.

## **6. Resources and Authority of the Committee**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to retain counsel or other experts, as it deems appropriate, without an obligation to seek approval of the Board or management.