



Charter of the Human Resources Committee

I. Purpose

The Human Resources Committee (the “**Committee**”) of Xebec Adsorption Inc. (the “**Corporation**”) is a standing committee of the Board of Directors. The primary mandate of the Committee is as follows:

- (a) to assist the Board of Directors in developing the Corporation’s approach to executive compensation and director compensation and to periodically review the compensation of the Board of Directors;
- (b) oversee the senior management compensation policies and practices, review annually the President and Chief Executive Officer’s goals and objectives for the upcoming year and each year perform an appraisal of the President and Chief Executive Officer’s performance;
- (c) supervise the successions planning process for the senior management team; and
- (d) oversee the overall strategy with respect to human resources management such as recruitment, talent development, employee mobilization and satisfaction.

II. Structure and Operations

The Committee shall be comprised of three or more members of the Board of Directors, each of whom shall be independent (as that term is defined in *Regulation 52-110 – Respecting Audit Committees*) and who have direct experience which is pertinent to their responsibilities relating to executive compensation.

The members of the Committee shall be annually appointed by the Board of Directors and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. Any member of the Committee may be removed or replaced at any time by the Board of Directors and shall cease to be a member of the Committee on ceasing to be a director of the Corporation. The Board may fill vacancies on the Committee by appointing from among the Board.

The Chairperson (Chair) shall be annually appointed by the Board of Directors. The Chair shall not be entitled to a casting vote, and instead will refer any matter which results in a tie vote to the full Board of Directors for consideration and resolution. The Chair will set the agendas for Committee meetings and chair all meetings of the Committee unless the Chair is not present at such meeting in which case the members present shall elect a chair for the conduct of the meeting.

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee.

III. Meetings

The Committee should meet at least twice annually or more frequently as circumstance dictate. The Chair of the Board of Directors or any member of the Committee may call meetings of the Committee.



The Committee may invite to its meetings any directors of the Corporation, management of the Corporation and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

A majority of the Committee members, but not less than two, will constitute a quorum. A majority of members present at any meeting at which a quorum is present may act on behalf of the Committee. The Committee may meet by telephone or videoconference and may take action by unanimous written consent with respect to matters that may be acted upon without a formal meeting.

The Chair of the Committee shall designate a person, who need not be a member thereof, to act as Secretary, who shall record the proceedings of the meetings. The agenda of each meeting will be prepared by the Secretary, upon consultation with the Chair, and, whenever reasonably practicable, circulated to each member prior to each meeting. The Committee shall maintain minutes or other records of meetings and activities of the Committee.

IV. Responsibilities, Duties and Authority

The following functions shall be the common recurring activities of the Committee in carrying out its responsibilities outlined in Section I of this Charter. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board of Directors from time to time related to the purposes of the Committee outlined in Section I of this Charter.

In discharging its oversight role, the Committee is empowered to study or investigate any matter of interest or concern that the Committee deems appropriate and shall have the sole authority to retain outside counsel or other experts for this purpose, including the authority to approve the fees payable to such counsel or experts and any other terms of retention.

- 1. Compensation of the Board of Directors.** The Committee shall review and recommend to the full Board of Directors the adequacy and form of compensation for the directors of the Corporation and, in doing so, among other things, shall consult with the Governance Committee in connection with their evaluation of the performance of the directors of the Corporation.
- 2. Executive Compensation Philosophy.** The Committee shall establish and review the overall compensation philosophy of the Corporation, including annually reviewing and approving the President and Chief Executive Officer's corporate goals and objectives for the upcoming year.
- 3. Appraisal of President and Chief Executive Officer Performance.** The Committee shall at least annually perform an appraisal on the performance of the President and Chief Executive Officer in light of the corporate goals and objectives.



4. **Recommendation and Approval of Non-CEO Executive Compensation.** The Committee shall ensure that President and Chief Executive Officer annually evaluates the performance of the other executive officers of the Corporation and provides a recommendation to the Committee regarding the Compensation to be provided to such executive officers having regard to existing contractual arrangements and those matters contemplated by Paragraph 5 below.
5. **Executive Compensation Review.** In connection with executive compensation programs the Committee shall:
 - (a) review and recommend to the full Board of Directors, or, at its discretion, approve new executive compensation programs;
 - (b) review on a periodic basis the operations of the Corporation's executive compensation programs to determine whether they are properly coordinated and achieving their intended purpose(s);
 - (c) establish and periodically review policies for the administration of executive compensation programs; and
 - (d) take steps to modify any executive compensation program that yields payments and benefits that are not reasonably related to executive and corporate performance.
6. **Review of Contracts and Transactions.** The Committee shall review and make recommendations to the full Board of Directors, or, at its discretion, approve any contracts or other transactions with current or former executive officers of the Corporation, including service agreements, employment agreements and severance or termination arrangements.
7. **Loans, Guarantees and Compensation Advances to Executive Officers and Employees.** The Corporation shall not provide any loans, compensation guarantees or advances to any executive officers or employees of the Corporation without the express written consent of the Committee.
8. **Consultants.** The Committee shall have the authority to select, retain and/or replace, as needed, compensation and benefits consultants and other outside consultants to provide independent advice to the Committee. In that connection, in the event the Committee retains a compensation consultant, the Committee shall have the sole authority to approve such consultant's fees and other retention terms.
9. **Equity Plans.** The Committee shall oversee the administration of the Corporation's stock equity plans, including but not limited to the Omnibus Plan, in accordance with the terms of such plans. The Committee shall also review and recommend that the Board approve any such plans, including any amendments to those plans, which are subject to required shareholder approval.

If permitted by the stock equity plan, the Committee may delegate to one or more officers designated by the Committee the authority to make grants to eligible individuals (other than any



such officer), in accordance with the terms of the plan and the delegation so granted. Any officer to whom such authority is delegated shall regularly report to the Committee the grants so made.

10. **Non-Equity Based Benefit Plans.** The Committee shall oversee the Corporation's non-equity-based benefit plan offerings, in particular benefit plans, bonus plans and perquisites made available to executives.
11. **Review of Executive Compensation Disclosure.** The Committee shall review and recommend to the Board for approval, any public disclosure of information relating to the compensation of the Corporation's senior management, including the information to be disclosed and the compensation discussion and analysis to be incorporated in the annual management information circular.
12. **Compensation Risks.** The Committee oversees the risks associated with the Corporation's policies and practices.
13. **Human Resources Management.** The Committee assess overall human resources management.
14. **Investigation by Counsel.** The Committee shall direct, when the Committee deems it necessary or appropriate, the Legal Department's or special counsels' investigation of special areas of concern relating to the matters covered by this Charter.
15. **Reports to the Board of Directors.** In addition to such specific reports and recommendations provided elsewhere in this Charter, the Committee shall report regularly to the Board of Directors following meetings of the Committee and with respect to such other matters as are relevant to the Committee's discharge of its responsibilities, provide such recommendations as the Committee may deem appropriate. The report to the Board of Directors may take the form of an oral report by the Chair or any other member of the Committee designated by a corporate governance committee to make such report.
16. **General.** The Committee shall perform such other duties and exercise such powers as may from time to time be assigned to or vested in the Committee by the Board of Directors, and such other functions as may be required of the Committee by law, regulations or applicable stock exchange rules.

V. Annual Performance Review

The Committee shall perform a review and evaluation, annually, of the performance of the Committee and its members, including a review of the compliance of the Committee with this Charter. In addition, the Committee shall evaluate the adequacy of this Charter annually and recommend any proposed changes to the Board of Directors.



VI. Charter Review

The Committee should review this Charter on an annual basis and recommend to the Board changes, as considered appropriate from time to time.