

GENNUM CORPORATION CORPORATE GOVERNANCE

HUMAN RESOURCE COMMITTEE

MANDATE:

The purpose of the Human Resource Committee is to assist and where appropriate make recommendations to the Board of Directors concerning matters relating to organizational structure, management development, succession planning, performance evaluation, and compensation.

The Committee exists at the pleasure of the Board, and its Mandate and Responsibilities may be changed by the Board at any time.

The Human Resource Committee's overall duties and responsibilities are to:

- Monitor the effectiveness of the Company's compensation policies and programs to ensure the Company is competitive and able to attract and retain executives and employees in accordance with the goals set out herein.
- Monitor the appropriateness of policies and programs relating to executive compensation to ensure they are appropriate to each individual's responsibility and performance and the performance of the Company.
- Review and make recommendations to the Board regarding the total remuneration of the CEO and other senior executives and the total allowance for increases to other employees.
- Monitor the development, alignment, satisfaction, and productivity of the Company's employees in order to ensure competitive excellence.

COMMITTEE COMPOSITION:

The Human Resource Committee shall be comprised of three or more directors as determined and appointed by the Board, all of whom shall be outside directors who are independent and unrelated, free from any direct or indirect relationship that, in the opinion of the Board, interferes with the exercise of their independent judgment. In making such determination of independence, the Board shall take into account any rules or guidance provided by the applicable securities regulators and stock exchanges.

In order that members of the Committee may stay abreast of human resource and compensation issues, members of the Committee shall be provided the opportunity to participate in programs providing relevant educational and professional development.

The Committee may elect its own chairman and secretary. The secretary to the Committee need not be a member of the Committee and shall be the Corporate Secretary unless the Committee determines otherwise.

MEETINGS AND COMMITTEE PROCESS:

The Committee shall meet at least three times per year or more frequently as circumstances dictate. Following each meeting the Chairman shall report on the Committee's activities and make recommendations to the Board for approval.

Committee meetings will provide, or allow for, independent discussions and input from all Committee members.

Committee liaison with the Company will be principally through the President and Chief Executive Officer, Vice-President of Human Resources and through the General Counsel and Corporate Secretary. The Committee shall have access to, and assistance shall be available from, the President and Chief Executive Officer as required. Assistance will be available the Executive Assistant to the Vice-President of Human Resources and the Manager of Corporate Services.

The Committee shall consider from time to time whether there is a need to establish a procedure to receive, consider and address complaints regarding human resource practices of the Company, and to allow for confidential or anonymous submission by employees of such complaints.

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and has direct access to the books, records, facilities and personnel of the organization. The Human Resource Committee has the ability to retain, at the Company's expense, special legal, accounting or other consultants or experts it deems necessary in the performance of its duties.

PRIME RESPONSIBILITIES:

The Committee has a general responsibility to oversee the organizational structure of the Company, the compensation plans available to executives and employees, and the quality of the human environment, with a goal of attracting, retaining and motivating the best executives and employees to execute the Company's strategy and to achieve its goals.

The objective is to ensure that each executive and employee is highly motivated in a positive manner to ensure consistent ethical pursuit of business initiatives and healthy stakeholder relationships that will increase shareholder value.

SPECIFIC FUNCTIONS, RESPONSIBILITIES AND DUTIES:

Committee Operation

- (1) Maintain an awareness of the overall responsibilities and functions of a Human Resource Committee.
- (2) Review and reassess the adequacy of this Mandate at least annually and submit any recommended changes in the Mandate to the Corporate Governance Committee of the Board.
- (3) Annually assess the effectiveness of the Committee against its Mandate and report the results of the assessment to the Board.
- (4) Report to the shareholders annually (or as otherwise required pursuant to the rules or guidance provided by the applicable securities regulators and exchanges) on the policies and functioning of the Committee.

Management Performance and Evaluation

- (5) Prepare an annual and mid-term review of the performance of the CEO against his objectives, and review the performance evaluations of each of the other senior executives and high potential members of the management team.
- (6) Receive a report on the prior year achievements relative to the annual budget and the prior two years comparison of management performance.
- (7) Establish the CEO's goals and priorities for the coming year.
- (8) Interface with high-potential employees of the Company (other than the officers) on a regular basis in order to assess leadership development and succession planning efforts within the organization.
- (9) Make recommendations to the Board regarding the appointment of new officers.

Compensation and Incentives

- (10) Conduct an annual review of the remuneration proposed for the senior executives of the Company. This review will include base salaries, fringe benefits, ICP incentives, options or other long-term incentives for superior performance. Make recommendations to the Board regarding the compensation packages and material employment terms for the senior executives.

- (11) Advise the Board and management on a policy framework relating to total compensation and incentives provided for the hiring of new executives and retention of existing employees.
- (12) Review and recommend to the Board changes to the salary policy lines, fringe benefits, and pools of funds for annual promotional and merit increases for Gennum employees.
- (13) Make recommendations to the Board regarding any proposed long-term incentive awards.

Oversight

- (14) Review annually the development, training and succession plans for the senior executives.
- (15) Develop for approval by the Board the annual goals and the development plans for the Board, the Chairman, and the CEO, within the context of the position descriptions developed by the Corporate Governance Committee of the Board.
- (16) Evaluate the areas of exposure to corporate, director and officer liability and consider alternatives to minimize the risks.
- (17) Ensure that the Company has in place policies and practices that exceed contemporary standards on ethical behaviour including but not limited to sexual or minority harassment or discrimination.
- (18) Review any allegations regarding human rights, sexual or minority harassment or discrimination claims, and make recommendations to the Board regarding the appropriate responses to same.
- (19) Evaluate the retention, satisfaction, alignment, development and productivity of the Company's personnel and consider alternatives to address deficiencies.

The Committee shall also undertake any other task assigned by operation of law or by the Board from time to time.