

**GENNUM CORPORATION**  
**HUMAN RESOURCE COMMITTEE**

**MANDATE**

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The purpose of the Human Resource Committee (the “Committee”) is to assist and where appropriate make recommendations to the Board of Directors (the “Board”) of Gennum Corporation (the “Company”) 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 may be changed by the Board at any time.

The 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, retain and motivate executives and employees in accordance with the Company’s strategy and to achieve its goals.
- Monitor and oversee the appropriateness of compensation policies, plans 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 Chief Executive Officer 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 with a view to competitive excellence.
- Oversee the organizational structure of the Company, and the quality of the human environment.

**COMMITTEE COMPOSITION**

The Committee shall consist of three or more directors as determined and appointed by the Board, all of whom shall be outside directors who are independent, 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.

It 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, at the expense of the Company, providing relevant educational and professional development.

The Committee shall appoint 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. The quorum necessary for the transaction of business at Committee meetings will be a majority of the members of the Committee. 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. The Committee will hold unscheduled or regularly scheduled meetings, or portions of each regularly scheduled meeting, at which management (including any management directors) are not present.

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

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 Committee has the ability to retain, at the Company's expense, independent legal, or accounting or other consultants, advisors or experts it deems necessary in the performance of its duties.

## **SPECIFIC FUNCTIONS, RESPONSIBILITIES AND DUTIES**

### Committee Operation

- (1) Maintain an awareness of the overall responsibilities and functions of a Human Resource Committee, including awareness of developments in applicable law and practices relating to corporate governance.
- (2) Review and reassess the adequacy of this Mandate from time to time and submit any recommended changes in the Mandate to the Corporate Governance Committee of the Board.
- (3) Periodically 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.
- (5) Review executive compensation disclosure in Company disclosure documents.

### Management Performance and Evaluation

- (6) Prepare an annual review of the performance of the Chief Executive Officer against his objectives, and review the performance evaluations of each of the other senior executives and high potential members of the management team.
- (7) Receive a report on the prior year achievements relative to the annual budget.
- (8) Establish the Chief Executive Officer's goals and priorities for the coming year.

- (9) 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.
- (10) Make recommendations to the Board regarding the appointment of new officers.

#### Compensation and Incentives

- (11) Conduct an annual review of the remuneration proposed for the senior executives of the Company. This review will include base salaries, fringe benefits, 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.
- (12) 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.
- (13) Review and recommend to the Board changes to the compensation policies, and pools of funds for annual promotional and merit increases for Gennum employees.
- (14) Make recommendations to the Board regarding any proposed long-term incentive awards.
- (15) Review adoption of any new compensation plans or material amendments thereto.
- (16) Review compensation plans, policies and programs in light of Company acquisition and divestiture activity, and potential Company change of control.

#### Oversight

- (17) Review periodically the development, training and succession plans for the senior executives.
- (18) Develop for approval by the Board the goals and the development plans for the Chief Executive Officer, within the context of the position description developed by the Corporate Governance Committee of the Board.
- (19) Evaluate the areas of exposure to corporate, director and officer liability and consider alternatives to minimize the risks and exposure.
- (20) Oversee development of any Company policies and practices on standards for ethical behaviour including but not limited to sexual or minority harassment or discrimination and human rights.
- (21) Evaluate the retention, satisfaction, alignment, development and productivity of the Company's personnel and consider alternatives to address deficiencies.
- (22) Establish and oversee 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 shall also be responsible for any other function, responsibility or duty required by applicable law or assigned to it by the Board from time to time.