

Human Resources and Governance Committee Charter

Purpose

The purpose of the Canadian Public Accountability Board's (CPAB) Human Resources and Governance Committee (Committee) is to review, report and make recommendations to the Board of Directors (Board) on matters of human resources, corporate governance, Board composition, Board succession, the formation and membership of committees, the objectives, performance and compensation of the Chief Executive Officer (CEO) and other officers, and the content and application of CPAB's codes of ethics.

Composition and Quorum

The Committee shall consist of three or more directors appointed from time to time by the Board of Directors. A majority of the members of the Committee shall constitute a quorum. The Board Chair is an *ex officio* member of the Committee, is not counted in establishing a quorum and does not vote. The Board Vice Chair, in the event that they are not serving as a member of this Committee, is an *ex officio* member of the Committee, is not counted in establishing a quorum and does not vote.

The Board, on the recommendation of the Board Chair, appoints the Committee Chair and members who shall serve at the pleasure of the Board until their successors are duly appointed. The Committee may from time-to-time delegate to its Chair certain powers or responsibilities that the Committee itself may have hereunder.

Meetings

The Committee shall meet a minimum of three times per year. The Committee Chair shall prepare an agenda for each meeting based on the Human Resources and Governance Committee Work Calendar. The agenda and any pre-reading material for each meeting will be circulated to the Committee members in advance.

Minutes of each meeting must be prepared and circulated to the Committee for review and approval at the Committee's next meeting. When a Board meeting closely follows the Committee's meeting, the Committee Chair will provide a verbal report of the Committee's meeting to the Board, and the minutes of the Committee's meeting will be circulated in advance of the next Board meeting.

Accountability

The Committee is accountable to the Board and has no authority to direct management or to commit CPAB unless specifically authorized by the Board.

1. Duties and Responsibilities

1.1 Human Resources

The Committee will:

- a) Oversee the management of human resources.
- b) Recommend to the Board any changes to human resources policies and practices the Committee decides are advisable.

1.2 Governance

The Committee will:

- a) Review, at least annually, corporate governance practices and recommend appropriate policies and procedures.
- b) Review, at least annually:
 - The performance and effectiveness of the Board as a whole in relation to its mandate, including its meetings and the information provided to directors.
 - The performance of the Board Chair.
 - The performance and effectiveness of any other committee in relation to its mandate.
 - The performance of each Committee Chair.
- c) Perform, at least annually, a self-assessment of the Committee's performance and effectiveness in relation to its mandate and the performance and effectiveness of the Committee Chair.
- d) Recommend to the Board any changes to corporate governance practices the Committee decides are advisable.

1.3 Composition of the Board and committees

The Committee will:

- a) Recommend to the Board any committees to be established and their charters, membership and the delegation of powers to the committees and the CEO.
- b) Recommend to the Board criteria for the selection of new directors, and annually review and recommend to the Board for approval a succession plan for the Board Chair, Board Vice Chair and other directors.
- c) Consider the adequacy and nature of the compensation paid to directors, including the Board Chair, and provide recommendations to the Board.
- d) Monitor the membership of the Board to ensure that independence and other qualifications under applicable laws and proper corporate governance practices are maintained, and that required areas of core competencies are represented on the Board.

1.4 Officers

The Committee will:

- a) Review semi-annually the objectives and performance measures set for the CEO, as well as their actual performance, and provide recommendations to the Board.
- b) Review annually the compensation of the CEO in relation to their performance and external conditions and provide recommendations to the Board.
- c) Review annually with the CEO and approve the objectives, performance and compensation arrangements for the other CPAB officers, and provide recommendations to the Board.
- d) Review annually and discuss a succession plan for the CEO.
- e) Review annually and discuss a succession plan for the other CPAB officers.

1.5 Codes of Ethics

The Committee will:

- a) Review and approve the CPAB codes of ethics annually and any changes the Committee determines are advisable.
- b) In conjunction with the Board Chair, take steps necessary to resolve any issues of compliance by directors with the Code of Ethics (CPAB's Board of Directors).
- c) Monitor the activities of CPAB and its directors to avoid or appropriately manage potential conflict of interest situations.

1.6 General

The Committee shall have the following additional general duties and responsibilities:

- a) Review and assess the adequacy of its charter, the charter of other committees and the charter of the Board.
- b) Perform such other functions and tasks as may be delegated by the Board.

1.7 Powers

- a) The Committee shall have the authority to delegate tasks to a sub-committee.
- b) The Committee shall have the authority to conduct any investigation and access any officer, employee or agent of CPAB as necessary and appropriate to fulfilling its responsibilities.
- c) The Committee shall have the authority to retain its own experts and independent counsel, and may authorize the compensation to be paid by CPAB for the experts and independent counsel.