



# Charter of the Human Resources Committee

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## Important note

The CGI Constitution, including the Dream, Vision, Mission, and Values of the CGI Group Inc. form the fundamental principles of this Charter. This Charter should therefore be read in conjunction with CGI's Constitution.

## 1. INTERPRETATION

"Committee" means the Human Resources Committee of the Board of Directors of the Company.

"Executive Officer" means an individual who is:

- (a) a Chair, Vice-Chair or President;
- (b) a leader in charge of a principal business unit or function; or
- (c) performing a policy-making function in respect of the Company.

*Note: The definition is derived from the definition contained in National Instrument 51-102 adopted by the Canadian Securities Administrators.*

"Independent Director" means a director who meets the independence criteria set out in section 1.4 of Multilateral Instrument 52-110 Audit Committees adopted by the Canadian Securities Administrators, as amended, which is reproduced in Appendix A.

## 2. OBJECTIVES

The Committee is responsible for reviewing and making recommendations to the Board of Directors of the Company for the appointment of officers of the Company and for determining terms of employment of senior executives whose remuneration must be disclosed as per applicable legislation, and such other senior executives as may be proposed by the Executive Chairman of the Board and the Chief Executive Officer. It shall also perform functions such as reviewing succession planning and matters of compensation as well as such other matters the Committee may consider suitable with respect to compensation or as may be specifically directed by the Board of Directors from time to time.

## 3. COMPOSITION

- 3.1 The Committee shall be composed of a majority of Independent Directors.

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- 3.2 The Board of Directors shall appoint one of the Independent Directors as the Chair of the Committee. If the Chair is absent from a meeting, the members shall select a Chair from those in attendance to act as Chair of the meeting.

## **4. MEETINGS**

- 4.1 Meetings of the Committee shall be held at the call of the Chair, but not less than three times annually. Meetings of the Committee may be called by the Chair of the Committee, the Executive Chairman of the Board or the Chief Executive Officer.
- 4.2 The powers of the Committee shall be exercisable by a meeting at which a quorum is present. A quorum shall be not less than two members of the Committee from time to time. Subject to the foregoing requirement, unless otherwise determined by the Board of Directors, the Committee shall have the power to fix its quorum and to regulate its procedure. Matters decided by the Committee shall be decided by majority vote.
- 4.3 Notice of each meeting shall be given to each member, to the Executive Chairman of the Board, to the Chief Executive Officer and to the Corporate Secretary of the Company.
- 4.4 The Committee may invite from time to time such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee, including in particular the Executive Chairman of the Board.
- 4.5 The Committee shall appoint a secretary to be the secretary of all meetings of the Committee and to maintain minutes of all meetings and deliberations of the Committee.

## **5. RESPONSIBILITIES AND DUTIES**

### **5.1 Role and responsibilities of the Committee Chair:**

- 5.1.1 The Chair of the Committee:
- 5.1.1.1 Provides leadership for the Committee by ensuring that:
- (i) The responsibilities of the Committee are well understood by Committee members and management.
  - (ii) The Committee works as a cohesive team.
  - (iii) Adequate resources and timely and relevant information are available to the Committee to support its work.

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- (iv) The effectiveness of the Committee is assessed on a regular basis.
  - (v) The committee's structure and mandate is appropriate and adequate to support the discharge of the Committee's responsibilities.
  - (vi) The scheduling, organization and procedures of Committee meetings provide adequate time for the consideration and discussion of relevant issues.
- 5.1.1.2 Works with the Executive Chairman of the Board and Corporate Secretary to set the calendar of the Committee's regular meetings.
- 5.1.1.3 Has the authority to convene special meetings as required.
- 5.1.1.4 Sets the agenda in collaboration with the Executive Chairman of the Board and the Corporate Secretary.
- 5.1.1.5 Presides at meetings.
- 5.1.1.6 Acts as liaison with management with regard to the work of the Committee.
- 5.1.1.7 Reports to the Board concerning the work of the Committee.
- 5.1.1.8 Exercises the authority specifically delegated to the Chair by the Committee, if any.

## **5.2 General Responsibilities**

- 5.2.1 The Committee shall, among other things, have responsibility to advise the Board of Directors on human resources planning, compensation of members of the Board of Directors, Executive Officers and other employees, short and long-term incentive plans, benefit plans, and Executive Officer appointments.
- 5.2.2 The Committee shall review and report to the Board of Directors on:
- 5.2.2.1 Management's succession plans for Executive Officers, with special emphasis on the Executive Chairman of the Board and Chief Executive Officer succession;
  - 5.2.2.2 Compensation philosophy of the organization, including a remuneration strategy and remuneration policies for the Executive Officer level, as proposed by the Executive Chairman of the Board and the Chief Executive Officer;

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- 5.2.2.3 Recommendations to the Board of Directors for the appointment of the Executive Chairman of the Board, the Chief Executive Officer and other Executive Officers, corporate objectives which the Executive Chairman of the Board and such other Executive Officers, as the case may be, are responsible for meeting, assessment of the Executive Chairman of the Board and of the Chief Executive Officer against these objectives, monitoring of the Executive Chairman of the Board's performance and providing advice and counsel in the execution of his duties;
  
  - 5.2.2.4 Total remuneration plan including adequacy and form of compensation realistically reflecting the responsibilities and risks of the position for the Executive Chairman of the Board and for the Chief Executive Officer of the Company and, in connection therewith, consider appropriate information, including information from the Board of Directors with respect to the overall performance of the Executive Chairman of the Board and of the Chief Executive Officer;
  
  - 5.2.2.5 Remuneration for Executive Officers, annual adjustment to executive salaries, and the design and administration of short and long-term incentive plans, stock options, benefits and perquisites as proposed by the Executive Chairman of the Board and the Chief Executive Officer;
  
  - 5.2.2.6 Employment and termination arrangements for senior management;
  
  - 5.2.2.7 Adoption of new, or significant modifications to, pay and benefit plans;
  
  - 5.2.2.8 Appointment of officers and executive officers as appropriate, while considering and promoting the diversity of the executive team's background, including in terms of gender, ethnicity, age and experience;
  
  - 5.2.2.9 Significant organizational changes;
  
  - 5.2.2.10 The Committee's proposed executive compensation report to be contained in the Company's annual proxy circular;
  
  - 5.2.2.11 Management development programs for the Company;
  
  - 5.2.2.12 Any special employment contracts or arrangements with officers of the Company including any contracts relating to change of control; and
  
  - 5.2.2.13 Remuneration for members of the Board of Directors and committees thereof, including adequacy and form of compensation realistically reflecting the responsibilities and risks of the positions and recommend changes where applicable.

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- 5.2.3 The Committee shall perform such other duties as may from time to time be assigned to it by the Board of Directors including those relating to compensation of officers and senior employees and the manpower resources of the Company.

### **5.3 Other Responsibilities**

- 5.3.1 The Committee shall have the right to retain such independent external advisors as it may deem necessary and advisable for its purposes and to assess and review, on an annual basis or as deemed appropriate, the independence of such external advisors.
- 5.3.2 The Committee shall report to the Board of Directors on its proceedings, reviews undertaken, and any associated recommendations.
- 5.3.3 The Committee shall have adequate resources to discharge its responsibilities.
- 5.3.4 The Committee shall have the right, for the purposes of discharging the powers and responsibilities of the Committee, to inspect any relevant records of the Company and its subsidiaries.

### **5.4 Review of Mandate of the Committee**

The Board of Directors should review and reassess the adequacy of this mandate on an annual basis.

### **5.5 Compensation**

Members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board of Directors may determine from time to time.



# Appendix A

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### Definition of Independence in effect as of June 30, 2005 under CSA Multilateral Instrument 52-110, as amended

#### 1.4 Meaning of independence

- (1) An audit committee member is independent if he or she has no direct or indirect material relationship with the issuer.
- (2) For the purposes of subsection (1), a "material relationship" is a relationship which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgement.
- (3) Despite subsection (2), the following individuals are considered to have a material relationship with an issuer:
  - (a) an individual who is, or has been within the last three years, an employee or executive officer of the issuer;
  - (b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
  - (c) an individual who:
    - (i) is a partner of a firm that is the issuer's internal or external auditor,
    - (ii) is an employee of that firm, or
    - (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
  - (d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
    - (i) is a partner of a firm that is the issuer's internal or external auditor,
    - (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or

- (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
  - (e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the issuer's current executive officers serves or served at that same time on the entity's compensation committee; and
  - (f) an individual who received, or whose immediate family member who is employed as an executive officer of the issuer received, more than \$75,000 in direct compensation from the issuer during any 12 month period within the last three years.
- (4) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because
- (a) he or she had a relationship identified in subsection (3) if that relationship ended before March 30, 2004; or
  - (b) he or she had a relationship identified in subsection (3) by virtue of subsection (8) if that relationship ended before June 30, 2005.
- (5) For the purposes of clauses (3)(c) and (3)(d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service.
- (6) For the purposes of clause (3)(f), direct compensation does not include:
- (a) remuneration for acting as a member of the board of directors or of any board committee of the issuer, and
  - (b) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.
- (7) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because the individual or his or her immediate family member
- (a) has previously acted as an interim chief executive officer of the issuer, or
  - (b) acts, or has previously acted, as a chair or vice-chair of the board of directors or of any board committee of the issuer on a part-time basis.

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- (8) For the purpose of section 1.4, an issuer includes a subsidiary entity of the issuer and a parent of the issuer.
- 1.5 additional independence requirements
- (1) Despite any determination made under section 1.4, an individual who
- (a) accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part time chair or vice-chair of the board or any board committee; or
  - (b) is an affiliated entity of the issuer or any of its subsidiary entities,
- is considered to have a material relationship with the issuer.
- (2) For the purposes of subsection (1), the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes acceptance of a fee by
- (a) an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or
  - (b) an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer.
- (3) For the purposes of subsection (1), compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.