



## **HUMAN RESOURCE AND COMPENSATION COMMITTEE CHARTER**

### **I. INTRODUCTION**

The Human Resource and Compensation Committee (“HRCC”) is a committee of the Board of Directors of the Ontario Pharmacists Association (“OPA” or “the Association”) charged with the following key accountabilities:

- (i) Human resources management for the Chief Executive Officer position that includes but is not limited to recruitment and employment, compensation management, performance monitoring, succession planning and development;
- (ii) To gain reasonable assurance that there exists with the Association effective policies and practices to enable the Association to attract and retain the people required to support the strategic plan;
- (iii) To gain reasonable assurance that the human resources and compensation policies, procedures and practices of the Association are being conducted effectively and in compliance with all applicable laws, statutes and regulations.

### **II. COMPOSITION**

- (i) The Human Resource and Compensation Committee (“HRCC”) shall be comprised of not less than 5 members of the OPA Board.
- (ii) In consultation with the Governance and Nominating Committee, the Board Chair shall recommend a Board member who has previously served HRCC to be the Chair of the Committee. The Board shall endorse the recommended candidate unless the Board considers that there is a more suitable candidate.
- (iii) Committee members are appointed by the Board at the beginning of each board year and shall hold office until the committee member resigns, is replaced or ceases to be a director, whichever first occurs.
- (iv) A vice chair shall be selected from the committee membership at the first meeting of each board year to act in lieu of the chair should the chair be unavailable or in conflicts of interest.
- (v) The Chief Executive Officer (CEO) of the Association shall attend and participate in all meetings, except the in-camera sessions as appropriate, as an ex-officio.
- (vi) A majority of the members of the committee shall be registered pharmacists in Ontario.

### **III. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE**

The responsibilities of the Human Resource and Compensation committee will be the following:



- (i) Human resources management for the CEO position
- In conjunction with the Governance and Nominating committee (GNC), establish and maintain a job description for the CEO which reflects the Board's delegation to the CEO of the powers and authority to manage the business and affairs of OPA;
  - After a thorough selection process and in accordance with OPA's policy on CEO Salary and Benefit, Documenting and Reporting, recommend to the Board for appointment as the CEO, a person whom the HRCC believes is capable of managing the business and affairs of OPA in a manner which will enable OPA to achieve the strategic plan;
  - Recommend to the Board that the CEO be discharged when HRCC believes the incumbent is no longer capable of managing the business and affairs of OPA;
  - Establish and approve the terms and conditions of the CEO's employment by OPA;
  - Recommend to the Board and, once approved, communicate to the CEO a policy which defines the limits of the CEO's powers, authority and accountability to the Board in managing the business and affairs of OPA;
  - Make recommendations to the Board regarding a formal process for annual performance appraisal of the CEO;
  - Establish and recommend to the Board for approval a comprehensive compensation program for the CEO;
  - Establish the criteria against which the performance of OPA and the CEO will be evaluated for the purposes of receiving any performance based rewards or compensation adjustments;
  - Conduct annual performance review of the CEO against the performance criteria approved by the Board and then report thereon to the Board.
- (ii) General Association human resources management
- Gain reasonable assurance that there exists with the Association effective policies and practices to enable the Association to attract and retain the people required to support the strategic plan;
  - Gain reasonable assurance that the human resources and compensation policies, procedures and practices of the Association are being conducted



effectively and in compliance with all applicable laws, statutes and regulations.

(iii) Others

- In collaboration with the CEO, develop annual budget for the Office of the Chair.
- Perform such other functions as may from time to time be assigned by the Board.

**IV. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE CHAIR**

Working in conjunction with the Board Chair and the CEO, the Chair shall be responsible for general leadership of the committee, including:

- (i) Ensuring committee meetings are duly convened and that quorum is present ;
- (ii) Preparation of the agenda and related materials required for committee meetings;
- (iii) Preparation and fulfillment of an annual committee work plan;
- (iv) Communicating committee expectations and needs e.g. nature, timing, extent to Management with sufficient time and information to allow Management to respond in a reasonable manner and ensure the committee receives all reasonably required and available information, including minutes 7 days in advance of HRCC meetings;
- (v) Take reasonable steps to ensure that the responsibilities of the committee as outlined in the charter are understood by all committee members and executed as effectively as possible;
- (vi) Presiding over meetings, ensuring that the agenda is completed in a timely manner;
- (vii) Monitoring discussion while ensuring committee members are encouraged to ask questions and express views;
- (viii) Prior to the approval of the agenda, to determine and confirm the need for an in-camera session;
- (ix) In the event of holding an in-camera session during a meeting, ensuring the session is held in compliance with the in-camera session policy.



- (x) Ensuring the committee reviews and assesses its performance at least annually and periodically reviews its roles and responsibilities.

For details, please refer to the committee chair job description document.

**V. DUTIES AND RESEPNIBLITES OF THE COMMITTEE VICE CHAIR**

- (i) When the Chair of the committee is not able to attend a meeting of the Committee or when the Chair declares a conflict with any agenda item or where the Chair wishes to step out of the chair role to participate more robustly in a discussion, the Vice Chair shall assume the chair role.
- (ii) Should the Vice Chair not be available, the Chair shall arrange for another member to preside at the meeting in his or her absence, failing which, another member will be chosen by the Committee.

**VI. MEETINGS**

- (i) The Committee shall meet as often as necessary to carry out its responsibilities. A minimum of two (2) meetings per year is required. Typically, the Committee meets three to four times a year.
- (ii) The Committee shall convene at such times and places designated by its Chair or whenever a meeting is requested by at least two (2) members.
- (iii) With the exception of emergency situations, a minimum of forty-eight (48) hours written notice of each meeting shall be given to each member.
- (iv) Unless otherwise designated by the Chair, all meetings of the Committee shall take place at the head office of the Association.
- (v) Members of the Committee may participate in a meeting of the Committee by means of such telephonic, electronic or other communication facilities as permitted all persons participating in the meeting to communicate adequately with each other, and a member participating in such a meeting by any such means is deemed to be present at that meeting.
- (vi) Agendas, approved by the Chair, shall be circulated to Committee members along with background information on a timely basis prior to the Committee meetings.
- (vii) The Committee may, on the request of its Chair, make decisions via a consent resolution, which shall be executed by all voting members of the Committee and be deemed a decision of the Committee having full effect with respect to the subject matter.



- (viii) A majority of the members of the Committee shall constitute a quorum.
- (ix) The Corporate Secretary of OPA (or his/her designate) shall act as secretary at all committee meeting with the exception of the “in-camera” sessions.
- (x) In the event of holding an in-camera session during a meeting, the Committee Chair to ensure that records and reporting are maintained as per the requirements stated in the in-camera session policy.
- (xi) The Committee may, by specific invitation, have other resource persons in attendance.

## **VII. REPORTING**

- (i) The Committee will provide, to the Board at its next meeting, a written/verbal report of the material matters discussed and material resolutions passed at the Committee meeting.
- (ii) Approved minutes of the committee meeting will be included in the next regular Board meeting package.

## **VIII. OPERATING PRINCIPLES**

The Human Resource and Compensation Committee shall fulfill its responsibilities within the context of the following principles:

- (i) **Committee Values**  
HRCC expects all members of Management, the Board and its Committees to operate in compliance with OPA’s Code of Conduct, policies and the laws and regulations governing OPA.
- (ii) **Continuous Improvement**  
The Committee will seek continuous improvement through annually reviewing its role and responsibilities.
- (iii) **Communications**  
All members of HRCC expect to have direct, open and frank communications with the CEO, other Committee Chairs and key HRCC advisors as applicable.
- (iv) **Annual HRCC Work Plan**  
In consultation with the Board Chair and the CEO the Committee shall develop an annual Committee Work Plan responsible to the HRCC’s responsibilities as set out in this Charter.



- (v) **Reliance on Experts**  
Supporting HRCC's discharging of its duties, members of the Committee shall be entitled to rely in good faith upon:
- the oral or written reports of OPA represented by an officer of OPA or in written report of external advisors; and
  - any report from legal counsel, accountants, appraisers or any other person whose professional standing lends credibility to statements made by such person
- (vi) **External Resources**  
The Committee may, after consultation with the Board Chair, retain at the expense of OPA, one or more persons having special expertise to assist the committee in discharging its responsibilities.

#### **IX. LIMITATIONS ON COMMITTEE'S DUTIES**

In contributing to the Human Resource and Compensation Committee's discharging of its duties under this Charter, each member of the Committee shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board members are subject.

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