

**CHARTER OF THE  
HUMAN RESOURCES AND COMPENSATION COMMITTEE OF  
THE BOARD OF DIRECTORS OF GROUPE AEROPLAN INC.**

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**1. Defined Terms**

In this Charter, the following terms have the meanings set out below.

“**Board**” means the board of directors of the Corporation;

“**CEO**” means the President and Chief Executive Officer of the Corporation;

“**Charter**” means this charter of the Committee, as it may be amended;

“**Committee**” means the human resources and compensation committee of the Corporation;

“**Corporation**” means Groupe Aeroplan Inc.; and

“**senior executives**” means the officers of the Corporation appointed as such by the Board, as well as the heads of any of the Corporation’s principal business units and any other person holding a material executive function within the Corporation or its principal operating subsidiaries.

**2. Purpose**

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities in the field of human resources and compensation. The Committee’s primary focus is with respect to the development, succession planning and compensation of senior executives. The Committee also assists the Board in establishing the compensation philosophy and the compensation and benefit plans for the workforce of the Corporation’s material operating subsidiaries. The Committee assists the Board with its executive compensation disclosure, as well as such other matters delegated to the Committee by the Board.

**3. Composition and Qualification**

- (a) The Committee shall be comprised of at least three directors as determined by the Board, all of whom shall be independent (as defined under applicable securities laws) and comply with eligibility and qualification standards under applicable legislation in effect from time to time.
- (b) The members of the Committee shall be appointed by the Board to hold office from the time of their appointment until the next annual general meeting of the shareholders of the Corporation or until their successors are appointed. Unless a Chair and a Secretary are appointed by the Board, the members of the Committee may designate a Chair and a Secretary by a majority vote of all the Committee members.

- (c) The Committee may invite, from time to time, such persons as it sees fit to attend its meeting and to take part in discussion and consideration of the affairs of the Committee. However, any such persons invited may not vote at any meeting of the Committee.
- (d) The Board may remove, at any time, any member of the Committee at its discretion and may accept the resignation of any member of the Committee. Vacancies at any time occurring on the Committee shall be filled by the Board.

#### **4. Meetings and Procedure**

- (a) The Committee shall meet at least three times annually, or more frequently as circumstances require. Such meetings may be held in person, by telephone or by any other means which enables all participants to communicate with each other simultaneously.
- (b) The Committee may fix its own procedure at meetings and for the calling of meetings except as may be otherwise provided by the Board.
- (c) A quorum for the transaction of business at a Committee meeting shall be a majority of the Committee members. All decisions and recommendations made by the Committee shall be made by a majority vote of the members present at the meeting.
- (d) The Committee shall have the authority to delegate any of its responsibilities to individual members and subcommittees of the Committee as the Committee may deem appropriate in its sole discretion.
- (e) Notice of meetings shall be given by letter, facsimile, email or telephone not less than 24 hours before the time fixed for the meeting other than in extraordinary circumstances. Notice of meetings shall state the date, the place and the hour at which such meetings will be held. Members may waive notice of any meeting.
- (f) The minutes of the Committee meetings shall accurately record the significant discussions of, and decisions made by, the Committee, including all recommendations to be made by the Committee to the Board, and shall be distributed to Committee members with copies to the Chairman of the Board and CEO.
- (g) The Committee, through its Chair, shall report to the Board on the proceedings and deliberations of the Committee at the first subsequent meeting of the Board, and at such other times and in such manner as the Board may require or as the Committee in its discretion may consider advisable.
- (h) To carry out its duties, the Committee will have access to independent advisors at the expense of the Corporation, as well as having access to data and performance information relative to the Corporation and its subsidiaries and associated

companies. The Committee shall choose advisors as it deems appropriate. If the Committee determines it is appropriate, its advisors may be given access to senior executives and other employees of the Corporation and its subsidiaries and associated entities and the work carried out by them and may present the information acquired and report to the Committee.

**5. Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

(a) Compensation

- i. Develop the compensation philosophy and guidelines for the Corporation's material operating subsidiaries.
- ii. In consultation with the Chairman of the Board, review and approve corporate goals, objectives and business performance measures relevant to the compensation of the CEO, evaluate the CEO's performance in light of such goals, objectives and business performance measures, and make recommendations to the Board with respect to the CEO's compensation level based on this evaluation. Business performance measures shall include, *inter alia*, financial statement and market-based measures, tested relative to plan, the previous year and competitors' organizations.
- iii. Make recommendations to the Board with respect to the compensation and performance of senior executives other than the CEO, taking into consideration any recommendations of, and assessments by, the CEO.
- iv. Review and make recommendations to the Board with respect to material benefit plans, pension plans, incentive compensation plans and equity based plans and the participation and grants to be made under such plans, along with any amendments thereto, for senior executives and other employees, as applicable.
- v. Review and approve, on behalf of the Board, the annual salary increase budget and any significant changes to the salary structure that could significantly impact the salary costs in the short term or long term.
- vi. Administer equity-based plans, with the assistance of third party plan administrators, as may be required.
- vii. Review executive compensation disclosure before public dissemination, including the Summary of Executive Compensation and Compensation Discussion and Analysis for inclusion in the Corporation's Management Information Circular, in accordance with applicable rules and regulations.

(b) Organization Plans, Succession Plans, Training

- i. Review the succession plans for senior executives to ensure that successors have been identified and that their career development is appropriate.
- ii. Review the following:
  - training, performance and development of the CEO, along with that of the other senior executives pursuant to any recommendations of and assessments by the CEO;
  - the reporting structure of senior executives as required or upon request by the Board;
  - contingency plans in the event of the death, disability or any other unplanned departure of senior executives.

(c) Pension Matters

- i. Review and recommend for Board approval pension plan funding and design changes;
- ii. Review and approve the asset investment strategy for the Corporation's pension plans; and
- iii. Review on an annual basis reports focusing on the performance, funded status, and other relevant issues relating to the Corporation's pension plans.

(d) Other

Review such other human resources and compensation functions customarily carried out by human resources and compensation, or similar, committees, as well as such other matters that may be referred to it by the Board from time to time.

(e) Self Assessment

- i. Review annually this Charter and the Committee's mandate and other documents used by the Committee in fulfilling its responsibilities.
- ii. Complete a self-assessment annually to determine how effectively the Committee is meeting its responsibilities.

*August 12, 2010*