

## **Human Resources and Compensation Committee Charter**

### **Composition**

The Human Resources and Compensation Committee (the “Committee”) of Westport Innovations Inc. (“Westport”) shall consist of a minimum of three directors, one of whom shall be designated the Chair, as appointed by the Board of Directors (the “Board”). All of the directors on the Committee shall be outside (non-Management) and independent directors, in accordance with the standards imposed by the Toronto Stock Exchange, the NASDAQ Manual and any applicable statutes, rules and regulations of the Canadian and United States securities regulatory authorities. The Board periodically rotates Committee membership.

### **Meetings**

Committee meetings shall be scheduled between two and three times per year, depending on the circumstances. Additional meetings may be called (subject to required notice) at any time by any member of the Committee or Vice Chair or Chair of the Board. A quorum of a majority of the members of the Committee is required for each meeting.

Minutes shall be prepared and subsequently approved for each meeting. Copies of such minutes shall be filed with the Corporate Secretary of Westport and circulated to all directors.

### **Responsibilities**

The Committee is charged with the following responsibilities, to be undertaken on an annual basis:

- (a) selecting, appointing and (if necessary) terminating the Chief Executive Officer (“CEO”);
- (b) evaluating the succession planning process for, and monitoring the performance of, the CEO and executive officers, and making recommendations to the Board in this regard for discussion and final approval;
- (c) evaluating, together with the CEO, a position description for the CEO, setting out the CEO’s authority, duties and responsibilities, and defining the scope of management’s responsibilities, and making recommendations to the Board in this regard for discussion and final approval;

- (d) recommending and assisting the Board in establishing the corporate objectives for which the CEO is responsible for meeting, and the metrics to measure the CEO's performance;
- (e) evaluating the level and forms of compensation for the CEO and executive officers, in light of Westport's financial and non-financial performance, and making recommendations to the Board in this regard for discussion and final approval;
- (f) evaluating the level and forms of compensation for the directors, in light of Westport's financial and non-financial performance and commensurate with the responsibilities and risks in being an effective director, and making recommendations to the Board in this regard for discussion and final approval;
- (g) reviewing Westport's stock option program, recommending option allocations for directors and executive officers, approving option allocations for other employees, and making recommendations to the Board in this regard for discussion and final approval;
- (h) periodically reviewing Westport's pension, savings and other benefits plans to evaluate the appropriateness thereof; and
- (i) reviewing public or regulatory disclosure respecting compensation and the basis on which performance is measured.

In completing the foregoing responsibilities, the Committee shall, when considered appropriate, engage independent consultants or compensation specialists, or subscribe to publications, in order to provide analysis of executive and director compensation levels and practices in the marketplace. Such analysis shall be used in determining whether Westport's overall compensation strategies and levels for directors and executive officers are competitive with those of its peer group companies.