

ASSESSING OUR GOVERNANCE PERFORMANCE: 2021-22

Our company is committed to regularly revisiting key elements of SaskPower's decision-making processes to ensure we continue to meet best practice standards. As a Crown corporation, SaskPower is not required to comply with Canadian Securities Administrators (CSA) Governance Guidelines. However, we use these guidelines to benchmark our governance practices.

Our company's practices are substantially consistent with CSA standards, as set out in the following scorecard:

CSA national policy 58-201 Part 3 — Corporate Governance Guidelines	SaskPower's corporate governance practices	Consistent with CSA guidelines?
Composition of the Board		
3.1 The Board should have a majority of independent Directors.	As of March 31, 2022, the Board was comprised of 12 independent Directors.	Yes
3.2 The Chair of the Board should be an independent Director. Where this is not appropriate, an independent Director should be appointed to act as "Lead Director." However, either an independent Chair or an independent Lead Director should act as the effective leader of the Board and ensure that the Board's agenda will enable it to successfully carry out its duties.	The Chair of the Board is an independent Director.	Yes
Meetings of independent Directors		
3.3 The independent Directors should hold regularly scheduled meetings at which non-independent Directors and members of management are not in attendance.	All members are independent. The Board typically has two <i>in camera</i> sessions without management at every meeting.	Yes
Board mandate		
3.4 The Board should adopt a written mandate in which it explicitly acknowledges responsibility for the stewardship of the issuer, including responsibility for:	The Board has a written mandate in its terms of reference, where it explicitly acknowledges that the Board of Directors functions as a steward of the company.	Yes
(a) to the extent feasible, satisfying itself as to the integrity of the Chief Executive Officer (the CEO) and other Executive Officers and that the CEO and other Executive Officers create a culture of integrity throughout the organization;	The terms of reference for a Director state that Directors shall require "of themselves and corporate employees high standards of ethical behaviour..." The President and CEO mandate also places accountability on that position for ensuring activities and practices of the company are ethical and compliant with the law.	Yes
(b) adopting a strategic planning process and approving, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the business;	The Board, working with the Executive, provides strategic direction to SaskPower. Formally, this is accomplished with the review and approval of the Strategic Plan.	Yes
(c) the identification of the principal risks of the issuer's business, and ensuring the implementation of appropriate systems to manage these risks;	The Board identifies principal risks to the company on an annual basis. Either directly or through the Audit & Finance Committee, the Board monitors the company's risk management programs. It also oversees the implementation of risk management systems. The Audit & Finance Committee meets regularly to review reports and discuss significant risk concerns with both the internal and external auditors.	Yes
(d) succession planning (including appointing, training and monitoring senior management);	The Board terms of reference state that the Board is responsible for succession planning.	Yes
(e) adopting a communication policy for the issuer;	Pursuant to the Board terms of reference, the Board adopts policies and processes to enable effective communication with CIC, stakeholders and the public.	Yes

CSA national policy 58-201 Part 3 — Corporate Governance Guidelines	SaskPower's corporate governance practices	Consistent with CSA guidelines?
(f) the issuer's internal control and management information systems; and	The Board has approved an internal control program. SaskPower has documented and evaluated the design of the company's internal controls over financial reporting, including the adequacy of its information systems. Our company has developed a testing program to regularly evaluate the effectiveness of these controls. SaskPower's CEO and CFO annually certify that our company has developed an appropriate set of internal controls over financial reporting and that the controls are working effectively.	Yes
(g) developing the issuer's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the issuer. ¹	The company's corporate governance principles and guidelines are outlined in SaskPower's Governance Manual, which is approved by the Board of Directors. In addition, the Governance & Human Resources Committee is responsible for and reports to the Board on corporate governance matters. The committee also functions as the ethics advisor for the Board.	Yes
The written mandate of the Board should also set out: (i) measures for receiving feedback from stakeholders (e.g., the Board may wish to establish a process to permit stakeholders to directly contact the independent Directors), and	The Board assumes responsibility for adopting policies and processes to enable effective communication with the shareholder, stakeholders and the public. To facilitate feedback from employees, the Board has adopted a whistle-blower policy.	Yes
(ii) expectations and responsibilities of Directors, including basic duties and responsibilities with respect to attendance at Board meetings and advance review of meeting materials. In developing an effective communication policy for the issuer, issuers should refer to the guidance set out in National Policy 51-201 <i>Disclosure Standards</i> .	Expectations and responsibilities of Directors, including participation in and preparation for meetings, are outlined in the terms of reference for a Director.	Yes

1. Issuers may consider appointing a Corporate Governance Committee to consider these issues. A Corporate Governance Committee should have a majority of independent Directors, with the remaining members being "non-management" Directors.



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<p>Position descriptions</p> <p>3.5 The Board should develop clear position descriptions for the Chair of the Board and the Chair of each Board Committee. In addition, the Board, together with the CEO, should develop a clear position description for the CEO, which includes delineating management's responsibilities. The Board should also develop or approve the corporate goals and objectives that the CEO is responsible for meeting.</p>	<p>The Governance & Human Resources Committee annually reviews the terms of reference for the Board Chair as well as Committee Chairs. These are approved by the Board. The Board has also adopted a President and CEO mandate.</p>	<p>Yes</p>
<p>Orientation and continuing education</p> <p>3.6 The Board should ensure that all new Directors receive a comprehensive orientation. All new Directors should fully understand the role of the Board and its Committees, as well as the contribution individual Directors are expected to make (including, in particular, the commitment of time and resources that the issuer expects from its Directors). All new Directors should also understand the nature and operation of the issuer's business.</p>	<p>The Governance & Human Resources Committee terms of reference state that it shall recommend a Director orientation and continuing education policy. New Directors receive a comprehensive orientation to corporate issues and processes. Comprehensive briefing materials are also provided to new members covering key aspects of our company's business. The expectations of individual Directors are set out in the terms of reference for a Director approved by the Board. These expectations include attendance at meetings, participation in Board and committee work, and advance preparation for each meeting.</p>	<p>Yes</p>
<p>3.7 The Board should provide continuing education opportunities for all Directors, so that individuals may maintain or enhance their skills and abilities as Directors, as well as to ensure their knowledge and understanding of the issuer's business remains current.</p>	<p>SaskPower Board Members receive governance training from CIC and new Directors are offered the opportunity to attend the Directors Education Program through the Institute of Corporate Directors. Sponsored by CIC, this modular program focuses on the highest calibre governance practices, including technical and behavioural aspects of Board governance. Directors who complete all four modules of the program are eligible to receive the ICD.D designation. In addition, our company provides opportunities to participate in site visits and tours of SaskPower facilities. The Board also receives presentations from outside experts and industry-specific briefings as a backdrop for policy and investment decisions.</p>	<p>Yes</p>
<p>Code of Business Conduct and Ethics</p> <p>3.8 The Board should adopt a written Code of Business Conduct and Ethics (a Code). The Code should be applicable to Directors, Officers and employees of the issuer. The Code should constitute written standards that are reasonably designed to promote integrity and to deter wrongdoing. In particular, it should address the following issues:</p>	<p>SaskPower has a written Code of Conduct Policy applicable to Directors, Officers and employees. It is intended to provide both general and specific guidelines to protect and guide SaskPower personnel faced with ethical, moral and legal dilemmas during the course of their employment or in carrying out their duties. The Board has the responsibility to review and revise the Code, as required. The Board has further strengthened this directive by adopting a whistle-blower policy and implementing an anonymous reporting process to help deter wrongdoing. Irregularity reporting to the Audit & Finance Committee has been implemented to keep the Board informed of compliance issues.</p>	<p>Yes</p>
<p>(a) conflicts of interest, including transactions and agreements in respect of which a Director or Executive Officer has a material interest;</p>	<p>The Code addresses conflicts of interest. Board Members complete and file annual conflict of interest declarations with the office of the General Counsel as well as declare any conflicts on the spot as they may arise in a meeting setting. Board Members are also bound by the CIC Directors' Code of Conduct.</p>	<p>Yes</p>
<p>(b) protection and proper use of assets and opportunities;</p>	<p>Property and inventions are covered in the Code as well as the appropriate use of business assets.</p>	<p>Yes</p>
<p>(c) confidentiality of corporate information;</p>	<p>Confidentiality is covered in the Code, including SaskPower information that contains third party information and personal information about personnel and customers.</p>	<p>Yes</p>

CSA national policy 58-201 Part 3 — Corporate Governance Guidelines	SaskPower's corporate governance practices	Consistent with CSA guidelines?
(d) fair dealing with the issuer's security holders, customers, suppliers, competitors and employees;	Fair Dealing is covered in the General Conduct Principles section of the Code as follows: "The public is entitled to expect and receive from SaskPower equitable treatment and compliance with confidentiality expectations and laws, whether in the provision of services or in the acquisition of property... SaskPower expects its personnel to conduct themselves in a manner that is and is perceived to be fair, even-handed, and in compliance with applicable laws, this Code and related policies."	Yes
(e) compliance with laws, rules and regulations; and	The Code requires Directors, Officers and employees to comply with applicable laws and related policies.	Yes
(f) reporting of any illegal or unethical behaviour.	The Code places an onus on employees to report suspected illegal or unethical behaviour. This is facilitated by specific procedures for reporting and investigating unethical conduct and other irregularities, which are appended to the Code.	Yes
<p>3.9 The Board should be responsible for monitoring compliance with the Code. Any waivers from the Code that are granted for the benefit of the issuer's Directors or Executive Officers should be granted by the Board (or a Board committee) only.</p> <p>Although issuers must exercise their own judgment in making materiality determinations, the Canadian securities regulatory authorities consider that conduct by a Director or Executive Officer which constitutes a material departure from the Code will likely constitute a "material change" within the meaning of National Instrument 51-102 Continuous Disclosure Obligations. National Instrument 51-102 requires every material change report to include a full description of the material change. Where a material departure from the Code constitutes a material change to the issuer, we expect that the material change report will disclose, among other things:</p> <ul style="list-style-type: none"> • the date of the departure(s), • the party(ies) involved in the departure(s), • the reason why the Board has or has not sanctioned the departure(s), and • any measures the Board has taken to address or remedy the departure(s). 	<p>The Governance & Human Resources Committee's terms of reference state that it shall monitor and report annually to the Board concerning compliance with the CIC Director's Code of Conduct and "review and report to the Board on conflict of interest matters involving Directors."</p> <p>There were no waivers granted during the year ending March 31, 2022, with respect to Code compliance by Directors, Officers or employees.</p>	Yes
<p>Nomination of directors</p> <p>3.10 The Board should appoint a Nominating Committee.</p>	As a Crown corporation, the appointment and removal of Directors are the prerogatives of the Lieutenant Governor in Council, as established by statute. The Governance & Human Resources Committee may review and recommend qualified potential candidates for the Board. The names of any recommended candidates are then submitted by the Board to CIC as shareholder.	Substantial compliance

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3.11 The Nominating Committee should have a written charter that clearly establishes the Committee's purpose, responsibilities, member qualifications, member appointment and removal, structure and operations (including any authority to delegate to individual members and subcommittees), and manner of reporting to the Board. In addition, the Nominating Committee should be given authority to engage and compensate any outside advisor that it determines to be necessary to permit it to carry out its duties. If an issuer is legally required by contract or otherwise to provide third parties with the right to nominate Directors, the selection and nomination of those Directors need not involve the approval of an independent Nominating Committee.	The terms of reference for the Governance & Human Resources Committee incorporate a written charter, which includes all terms referred to in the CSA guideline, with the exception of authority to delegate to individual members and subcommittees and member appointment and removal. The Board terms of reference state that any Committee can obtain the advice and counsel of external advisors. However, it states the decision to engage such advisors rests with the Board.	Substantial compliance
3.12 Prior to nominating or appointing individuals as Directors, the Board should adopt a process involving the following steps: (a) Consider what competencies and skills the Board, as a whole, should possess. In doing so, the Board should recognize that the particular competencies and skills required for one issuer may not be the same as those required for another.	A skills profile, identifying the desired mix of experience and competencies required for the Board to effectively discharge its responsibilities, has been developed and is periodically updated.	Yes
(b) Assess what competencies and skills each existing Director possesses. It is unlikely that any one Director will have all the competencies and skills required by the Board. Instead, the Board should be considered as a group, with each individual making his or her own contribution. Attention should also be paid to the personality and other qualities of each Director, as these may ultimately determine the boardroom dynamic.	The Governance & Human Resources Committee, with assistance from the Corporate Secretary, maintains and updates a skills matrix of existing members. As needed, it conducts a gap analysis to identify skills required for future appointments to round out the Board's overall skill set.	Yes
The Board should also consider the appropriate size of the Board, with a view to facilitating effective decision making. In carrying out each of these functions, the Board should consider the advice and input of the Nominating Committee.	The terms of reference for the Governance & Human Resources Committee state that it shall recommend the size of the Board.	Yes
3.13 The Nominating Committee should be responsible for identifying individuals qualified to become new Board Members and recommending to the Board the new Director nominees for the next annual meeting of shareholders.	The Governance & Human Resources Committee identifies preferred skill sets for appointment to the Board of Directors. The identification of candidates for appointment to the Board is the responsibility of Executive Council.	Partial compliance
3.14 In making its recommendations, the Nominating Committee should consider: (a) the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess; (b) the competencies and skills that the Board considers each existing Director to possess; and	The terms of reference for the Governance & Human Resources Committee require the Committee to "recommend to the Board the size, composition and required capabilities of the Board of Directors to meet the needs of the Corporation."	Yes
(c) the competencies and skills each new nominee will bring to the boardroom. The Nominating Committee should also consider whether or not each new nominee can devote sufficient time and resources to his or her duties as a Board Member.	When seeking candidates to fill a vacancy, it is the responsibility of Executive Council to consider how the skills and competencies of each candidate fit with the identified gaps on the Board.	Partial compliance

CSA national policy 58-201 Part 3 — Corporate Governance Guidelines	SaskPower's corporate governance practices	Consistent with CSA guidelines?
Compensation 3.15 The Board should appoint a Compensation Committee composed entirely of independent Directors.	All members of the Governance & Human Resources Committee are independent Directors.	Yes
3.16 The Compensation Committee should have a written charter that establishes the Committee's purpose, responsibilities, member qualifications, member appointment and removal, structure and operations (including any authority to delegate to individual members or subcommittees), and the manner of reporting to the Board. In addition, the Compensation Committee should be given authority to engage and compensate any outside advisor that it determines to be necessary to carry out its duties.	The terms of reference for the Governance & Human Resources Committee incorporate a written charter, which includes all items referred to in the CSA guideline (with the exception of member appointment and removal, which is established by statute). The Board terms of reference state that any Committee can obtain the advice and counsel of external advisors. However, it states the decision to engage such advisors rests with the Board.	Substantial compliance
3.17 The Compensation Committee should be responsible for: (a) reviewing and approving corporate goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those corporate goals and objectives, and determining (or making recommendations to the Board with respect to) the CEO's compensation level based on this evaluation;	The Governance & Human Resources Committee's terms of reference state that the CEO's review is based on agreed-upon objectives, updated each year. While CEO compensation is not addressed specifically, the Committee has the responsibility to review and monitor all management compensation and benefit programs. As SaskPower is not a publicly-traded company, the parameters for CEO compensation are set by its shareholder, CIC.	Substantial compliance
(b) making recommendations to the Board with respect to non-CEO Officer and Director compensation, incentive-compensation plans and equity-based plans; and	The Governance & Human Resources Committee has the responsibility to annually review and monitor management compensation and benefit programs and make recommendations to the Board. CIC, as shareholder, sets Director remuneration.	Substantial compliance
(c) reviewing Executive compensation disclosure before the issuer publicly discloses this information.	The Board annually approves the disclosure of the compensation of Executive Members and all employees earning more than \$50,000 per year. The compensation is disclosed to the Standing Committee on Crown and Central Agencies of the Legislative Assembly, and ultimately the public, through the Payee Disclosure Report. In addition, the President and CEO — and direct reports — are required to file their employment contracts, and any amendments thereto, with the Clerk of the Executive Council pursuant to <i>The Crown Employment Contracts Act</i> . Key management personnel compensation is disclosed in the notes to the consolidated financial statements.	Yes
Regular Board assessments 3.18 The Board, its Committees and each individual Director should be regularly assessed regarding his, her or its effectiveness and contribution. An assessment should consider:	The Governance & Human Resources Committee coordinates the assessment process with the assistance of the Corporate Secretary or an external service provider. Performance evaluations are conducted annually, on a three-year cycle, alternating between Board and Board Chair one year, committee and committee Chairs the second year, and Director peer evaluations the third year. In the year ended March 31, 2022, Director peer evaluations were conducted.	Yes
(a) in the case of the Board or a Board Committee, its mandate or charter; and	Comprehensive evaluation surveys have been developed that take into consideration the mandate of the Board as well as accepted good governance practices.	Yes
(b) in the case of an individual Director, the applicable position description(s), as well as the competencies and skills each individual Director is expected to bring to the Board.	Peer evaluations are completed every third year and are based on the position description for Directors.	Yes

The Corporation has adopted CSA Amendment Instrument for National Instrument 58-101 respecting disclosure of Director term limits and representation of women on the Board and in Executive Officer positions as reflected in the following table.

CSA national policy 58-101 Disclosure of Corporate Governance Practices	SaskPower's corporate governance practices	Consistent with CSA guidelines?
<p>Director term limits and other mechanisms of Board renewal</p> <p>10. Director term limits and other mechanisms of Board renewal. Disclose whether or not the issuer has adopted term limits for the Directors on its Board or other mechanisms of Board renewal and, if so, include a description of those Director term limits or other mechanisms of Board renewal. If the issuer has not adopted Director term limits or other mechanisms of Board renewal, disclose why it has not done so.</p>	<p>The appointment and removal of Directors are the prerogatives of the Lieutenant Governor in Council pursuant to <i>The Crown Corporations Act, 1993</i>. Director appointments are subject to term limits (established by Order in Council).</p>	<p>Partial compliance</p>
<p>Policies regarding the representation of women on the Board</p> <p>11. (a) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women Directors. If the issuer has not adopted such a policy, disclose why it has not done so.</p>	<p>Since the Corporation's Directors are selected and appointed by the Lieutenant Governor in Council pursuant to statutory authority, the representation of women on the Board is a matter of shareholder discretion. As of March 31, 2022, 33% of Board Members were women and 42% were diversity candidates.</p>	<p>Partial compliance</p>
<p>(b) If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy:</p> <ul style="list-style-type: none"> (i) A short summary of its objectives and key provisions, (ii) The measures taken to ensure that the policy has been effectively implemented, (iii) Annual and cumulative progress by the issuer in achieving the objectives of the policy, and (iv) Whether and, if so, how the Board or its Nominating Committee measures the effectiveness of the policy. 	<p>The Corporation has not adopted a policy on the identification and nomination of women Directors, as this is a matter of shareholder policy. CIC maintains statistics regarding the diversity of each Crown Board, including progress made on the percentage of women serving on Crown Boards. CIC forwards the information to Executive Council to be considered when Board appointment decisions are made. The information includes the skill sets required for the Board, and diversity statistics. See Table A for disclosure of the number and proportion (in percentage terms) of Directors on the Board who are women. As of March 31, 2022, 33% of the Board Members were women.</p>	<p>Partial compliance</p>
<p>Consideration of the representation of women in the Director identification and selection process</p> <p>12. Disclose whether or not, if so, how the Board or Nominating Committee considers the level of representation of women on the Board in identifying the nominating candidates for election or re-election to the Board. If the issuer does not consider the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board, disclose the issuer's reasons for not doing so.</p>	<p>It is the responsibility of Executive Council to consider the level of representation of women on the Board.</p>	<p>Partial compliance</p>
<p>Consideration given to the representation of women in Executive Officer appointments</p> <p>13. Disclose whether and, if so, how the issuer considers the level of representation of women in Executive Officer positions when making Executive Officer appointments. If the issuer does not consider the level of representation of women in Executive Officer positions when making Executive Officer appointments, disclose the issuer's reasons for not doing so.</p>	<p>SaskPower promotes a diverse workforce across all levels of the organization, including the Executive. This commitment is reflected in SaskPower's Executive Diversity Strategy. The focus of the strategy is to develop a talent pipeline of diversity candidates that possess the experience, education and technical backgrounds that are required for Executive positions. Diversity candidates include women in under-represented roles, visible minority persons, Indigenous persons and persons with disabilities.</p>	<p>Yes</p>

CSA national policy 58-101 Disclosure of Corporate Governance Practices	SaskPower's corporate governance practices	Consistent with CSA guidelines?
Issuer's targets regarding the representation of Women on the Board and in Executive Officer positions 14. (a) For purposes of this item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women on the issuer's Board or in Executive Officer positions of the issuer by a specific date. (b) Disclose whether the issuer has adopted a target regarding women on the issuer's Board. If the issuer has not adopted a target, disclose why it has not done so.	Although Executive Council considers the representation of women and other under-represented groups when making board appointments, it has not adopted a specific target for representation of women and other under-represented groups on the Board.	No
(c) Disclose whether the issuer has adopted a target regarding women in Executive Officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so. (d) If the issuer has adopted a target referred to in either (b) or (c), disclose: (i) The target, and (ii) The annual and cumulative progress of the issuer in achieving the target.	SaskPower does not have a specific target for the representation of women in Executive Officer positions. However, the Corporation's Executive Diversity Strategy has set a diversity target of 50% on the Executive team by 2026.	Partial compliance
Number of women on the Board and in Executive Officer positions 15. (a) Disclose the number and proportion (in percentage terms) of Directors on the issuer's Board who are women.	Refer to Table A below.	Yes
(b) Disclose the number and proportion (in percentage terms) of Executive Officers of the issuer, including all major subsidiaries of the issuer, who are women.	Refer to Table B below.	Yes

Table A – Representation of Women on the Board

Year	Target # of women	# of women	Actual % of women	Target % of all diversity candidates	Total # of all diversity candidates	Actual % of all diversity candidates	Total # of Directors
March 31, 2022	N/A	4	33%	N/A	5	42%	12
March 31, 2021	N/A	4	33%	N/A	5	42%	12

Table B – Representation of Women in Executive Positions

Year	Target # of women	# of women	Actual % of women	Target % of all diversity candidates	Total # of all diversity candidates	Actual % of all diversity candidates	Total # of Executive positions
March 31, 2022	N/A	3	33%	50% (by 2026)	3	33%	9
March 31, 2021	N/A	2	20%	40% (by 2021)	2	20%	10