



**GOVERNANCE & HUMAN RESOURCES COMMITTEE**

**TERMS OF REFERENCE**

**Approved by the Board of Directors**

**September 19, 2019**

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**A. OBJECTIVE**

To assist the Board of Directors (Board) in meeting its responsibilities, the Committee shall:

1. be responsible for, and report to the Board concerning, the Corporation's governance policies and procedures;
2. undertake other duties, as directed by the Board from time to time, to assist the Board in delivering exemplary governance practices; and
3. be responsible for, and report to the Board concerning, the Corporation's human resource and compensation policies and procedures.

**B. CONSTITUTION**

1. The Committee shall be comprised of a minimum of three (3) directors.
2. The members of the Committee shall be appointed by resolution of the Board. Each member of the Committee shall continue to be a Committee member until a successor is appointed, unless the member resigns, is removed by resolution of the Board or otherwise ceases to be a director of the Corporation.
3. Where a vacancy occurs, at any time in the Committee membership, it may be filled by the Board, and shall be filled by the Board if the membership of the Committee is less than three (3) directors as a result of the vacancy.
4. The Board, or in the event of its failure to do so, the Committee, shall appoint a Chair from among the Committee members.
5. If the Committee Chair is not available to attend a meeting, when possible in advance of the meeting, the Committee Chair will designate one of the Committee members for the role of Acting Chair. If the Committee Chair is not present for a meeting and no member is designated in advance, the Acting Chair of the meeting shall be chosen by the Committee from among the members present. The Committee will formally appoint the Acting Chair at the beginning of the meeting.

6. The Chair (including any Acting Chair) presiding at any meeting of the Committee shall have a vote in all matters considered by the Committee. In the event of a tie, the matter shall be referred to the Board as a whole for decision.
7. The Corporate Secretary to the Board shall serve as the Secretary to the Committee.

**C. MEETINGS**

The time and place of meetings of the Committee and the procedures at such meetings shall be determined from time to time by the members of the Committee, provided that:

1. a quorum for meetings shall be a majority of the Committee members, present either in person or by telephone or other telecommunications device that permits all members participating in the meeting to speak to and hear each other;
2. the Committee shall meet at least four (4) times per year;
3. the Chair shall, in conjunction with management, establish the agenda for the meeting;
4. reasonable notice shall be given in writing, by e-mail or by facsimile to each member of the Committee and the agenda and associated material shall be sent to each member of the Committee prior to the time for such meeting, preferably seven (7) days, before the meeting;
5. a member may, in any manner, waive a notice of meeting, and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called;
6. a meeting of the Committee may be called by the Secretary of the Committee on the direction of the Chair of the Committee, the Chair of the Board or President and CEO or by two (2) members of the Committee; and
7. the President and CEO or designate may be present at meetings of the Committee; the Committee shall at all times have the right to determine who, in addition to the President and CEO or designate, will be present at any part of the meetings of the Committee, and shall conduct in-camera sessions as required.

**D. MINUTES AND REPORTING RESPONSIBILITY**

1. All recommendations, decisions and directives of the Committee shall be recorded by the Secretary in the minutes of the meeting.
2. A draft copy of the minutes of each meeting, as approved by the Committee Chair, shall be circulated to the Committee, the Board and the President and CEO prior to the next following Committee and Board meetings respectively. Following approval of the minutes of the meeting by the Committee as a whole, if substantive revisions have been made to the draft minutes, the minutes approved by the Committee shall be circulated to the Committee and to the Board.
3. The Committee Chair shall ensure a written or verbal report of the meeting is presented to the next meeting of the Board.

**E. SCOPE, DUTIES AND RESPONSIBILITIES**

The Committee shall have the following specific functions, duties and responsibilities.

**Governance Matters**

1. Monitor the functioning of the Board and Board committees and recommend governance issues to be discussed by the Board and Committees to ensure timely and complete information and decision-making at the Board and Committee levels.
2. Review as required, and at least annually, the Terms of Reference of the Board, Committees, Board Chair, Committee Chair, Corporate Secretary and Director, and recommend to the Board any amendments as deemed necessary or advisable.
3. Recommend to the Board the size, composition, and required capabilities of the Board and Committees to meet the needs of the Corporation.



4. Review and recommend to the Board:
    - a. appointments to the Subsidiary and PCSP Boards; and
    - b. preferred skill sets for appointment to the SaskPower Board of Directors.
  5. Recommend to the Board the establishment or abolition of each Committee and its size, membership and chairs.
  6. Bi-annually evaluate and report to the Board the overall performance of the Board and Committees.
  7. As the Ethics Advisor to the Board, the Committee is responsible for:
    - a. Providing clarification and direction to the Board members respecting the existence of a conflict or potential conflict of interest;
    - b. Reviewing activities submitted by directors, which they believe contravenes the law, represents a breach of the Directors' Code of Conduct, represents a misuse of Corporation funds or assets, or represents danger to public health, safety or the environment, and determine whether a conflict or a perceived conflict exists, and if so, advise the director to refrain from the activity or take other appropriate action to remedy the conflict or perceived conflict;
    - c. Determining appropriate actions in response to a conflict of interest or ethical issue;
    - d. If necessary, instigating an investigation of breaches or alleged breaches of the Directors' Code of Conduct;
    - e. Reviewing and reporting to the Board concerning any external directorships or other positions of the Board members, President and CEO and senior executives that may conflict with their duty to the Corporation; and
    - f. Monitoring and reporting annually to the Board concerning compliance with the Directors' Code of Conduct. Review and report to the Board on conflict of interest matters involving directors, as necessary.
  8. Review and recommend for approval to the Board a professional development policy for directors, as required.
  9. Provide direction to, and oversight of, the Governance Office and review and recommend changes to the Terms of Reference of the Governance Office as required.
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10. In conjunction with the Chair of the Board and the President and CEO, review and respond to any relevant legislation, reports, position papers, or other developments on the subject of corporate governance generally and the duties and responsibilities of directors in particular.
11. Participate, as warranted, in the communication of the Corporation's governance practices to appropriate stakeholders.
12. Review and recommend the Sponsorship and Contribution Policies for the Corporation.
13. Provide guidance to individual Directors on governance issues.
14. Review and recommend, as required, revisions to the articles of incorporation and bylaws of the subsidiary corporations.
15. Review the Board orientation program and develop an outline for a program to provide a corporate overview to newly appointed Directors.
16. Review, as required, SaskPower governance policies including the Governance Manual and Signing Authority Policy, and recommend amendments to the Board.
17. Review balanced scorecard key indicators and recommend approval to the Board.

**Human Resources/Compensation Matters**

18. In cooperation with the Board Chair, undertake the annual performance review of the President and CEO. The review will be based on agreed upon objectives and development, updated each year.
19. Annually review the Corporation's succession planning policies and practices, and report to the Board.
20. Review annually and assess the Corporation's pension plans, report and recommend changes, as appropriate, to the Board.
21. Annually review, and report and recommend new or changes to, executive



compensation and programs to the Board.

22. Annually review, and report and recommend new or changes to, management compensation programs to the Board.

23. In-Scope Compensation:

- a. review and recommend to the Board collective bargaining mandates; and
- b. review and recommend to the Board tentative settlements; and
- c. receive updates on the status of collective bargaining.

24.

**F. ACCESS TO CORPORATE RECORDS/PERSONNEL**

In performing any of its duties and responsibilities, the Committee shall have access to any and all books and records of the Corporation required for the execution of the Committee's obligations and, as necessary, shall discuss with the appropriate Corporate officers and employees such records and other relevant matters.