

## **HUMAN RESOURCES, COMPENSATION & GOVERNANCE COMMITTEE CHARTER**

The Board has an HRC&G Committee composed of a minimum of three directors, a majority of whom are not officers or employees of the Corporation and are unrelated, independent directors of the Corporation. The Board's policy regarding director independence is to adopt the practice which best serves the Corporation's needs at any particular time. In the Board's view, the current HRC&G Committee structure is appropriate considering the size of the Corporation and the Board, and that the Corporation has four significant shareholders. The HRC&G Committee members all reside in Alberta and are well-versed in compensation and governance practices for the regions and industry in which the Corporation operates. The HRC&G Committee also encourages every member of the Board to actively participate in discussions relating to executive compensation, and full Board approval is required for the President and Chief Executive Officer's compensation. The HRC&G Committee makes recommendations to the full Board for review and approval. As of the Effective Date, the HRC&G Committee members are Terry D. Freeman, Carmen Loberg and Dale E. Tremblay. All members are considered to be independent as at December 31, 2020.

The HRC&G Committee charter was approved in 2018. In respect of compensation matters, the Committee reviews and provides recommendations to the Board on the following matters:

- (i) Compensation policies and guidelines for supervisory and management personnel of the Corporation and its related entities;
- (ii) Corporate benefits, bonuses and other incentives, including equity-based compensation;
- (iii) 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 the CEO's compensation, evaluating the CEO's performance in light of those corporate goals and objectives and determining the CEO's compensation level based on this evaluation;
- (iv) Non-CEO officer and director compensation, incentive compensation plans and equity-based plans;
- (v) The review of executive compensation disclosure before the Corporation publicly discloses such information;
- (vi) Succession plans for the officers and for key employees of the Corporation; and
- (vii) Any material changes or trends in human resources policy, procedure, compensation and benefits.

In respect of corporate governance matters, the Committee reviews and provides recommendations to the Board on the following matters:

### **Board Performance & Effectiveness**

Develop written corporate governance guidelines and mandate for the Board in which it explicitly acknowledges responsibility for the stewardship of the Corporation and considers (i) measures for receiving feedback from stakeholders and (ii) expectations and responsibilities of directors, including basic duties and responsibilities with respect to attendance at Board meetings and advance review of meeting materials;

- (i) Develop clear position descriptions for the Chair of the Board and the Chair of each Board Committee, and together with the CEO, developing a clear position description for the CEO, which includes delineating management's responsibilities and developing the corporate goals and objectives that the CEO is responsible for meeting;
- (ii) Oversee the assessment of the Board, its committees and each individual director in respect of effectiveness and contribution;
- (iii) Cause the Board to annually review its definition of an "independent" director;
- (iv) Develop a comprehensive orientation and continuing education program for all directors;
- (v) Review aggregate skills and competencies of the Board;

- (vi) Ensure that all members of the Board have been informed of and are aware of their duties and responsibilities as a director of the Corporation;

#### **Regulatory Oversight**

- (i) Ensuring compliance by the Board and the Corporation with all applicable securities laws and stock exchange rules;
- (ii) Develop and monitor the Corporation's general approach to corporate governance issues as they may arise;
- (iii) Propose changes as necessary from time to time to respond to particular governance recommendations or guidelines from regulatory authorities and ensure that all appropriate or necessary governance systems remain in place and are periodically reviewed for effectiveness;
- (iv) Ensure that the Corporation has in effect adequate policies and procedures to allow the Corporation to meet all of its continuous disclosure requirements;
- (v) Develop and monitor the Corporation's policies relating to trading in securities of the Corporation by insiders as well as communication and confidentiality;

#### **Risk Management**

- (i) In conjunction with the Audit Committee, ensure that the Corporation has in effect adequate policies and procedures to identify and manage the principal risks of the Corporation's business;
- (ii) Annually reviewing areas of potential personal liability of directors and ensure reasonable protective measures are in place;

#### **Corporation Effectiveness**

- (i) Ensure that the vision, values and strategic direction of the Corporation are reviewed annually including execution by management
- (ii) Periodically consider the need for special policies of the Corporation, initiated by the Board, in unique or emerging policy areas such as corporate ethics, gender equality, sexual harassment or environmental practices.
- (iii) Develop a written code of business conduct and ethics that is applicable to all directors, officers and employees of the Corporation;

#### **Director Succession Planning**

- (i) Develop and follow a process for identifying, recruiting and evaluating the potential of new directors;
- (ii) Nominate, to the Board, directors with the appropriate skills and abilities to enable the Board to carry out its responsibilities;

If, in order to properly discharge its functions, duties and responsibilities, it is necessary, in the opinion of the Committee, that the Committee obtain the advice and counsel of external advisors, the Chair of the Committee shall, at the request of the Committee, engage the necessary advisors.