

## Position Description for the Chair of SaskEnergy Board of Directors

Approved by the Board of Directors January 29, 2010

1. The Lieutenant Governor in Council ('LGC') shall appoint from among the members of the Board of Directors (Board), a Chair of the corporation (Chair) and a Vice Chair of the corporation (Vice Chair) for such term or terms as the LGC deems advisable.
2. The performance of the Chair shall be evaluated on a bi-annual basis by the Board. The Chair may be removed or replaced at any time by the LGC.
3. The Chair shall have the following responsibilities:
  - (a) to assume principal responsibility for the operation and functioning of the Board, providing overall leadership to the Board without limiting its ability to function as a Board under its Terms of Reference;
  - (b) to lead, manage and organize the Board, consistent with the approach to corporate governance adopted by the Board from time to time;
  - (c) to preside as Chair at all meetings of the Board;
  - (d) to set the agenda of the Board meetings in consultation with the Chief Executive Officer;
  - (e) to ensure the adoption of and compliance with procedures such that the Board will conduct its work effectively and efficiently, independently from Management, including the scheduling, calling and management of Board meetings and meeting at such times as may be determined to be appropriate without the presence of Management;
  - (f) to ensure the responsibilities of the Board are effectively carried out in compliance with the Board mandate and that the functions of the Board, delegated to committees of the Board, are carried out by the committees and reported to the Board and recorded as such;
  - (g) to serve as an ex-officio member of all committees of the Board, and shall not have voting rights in that capacity;
  - (h) to act as a liaison between the Board and the senior management of the corporation, including acting as an advisor to and sounding board for the Chief Executive Officer;
  - (i) to ensure communication, and act as a liaison, between the Board and the shareholder;
  - (j) to ensure the responsibilities of the Board are understood by both the Board and Management, and that the distinct roles of the Board and Management are understood and respected;
  - (k) to ensure the Board works together in a spirit of collegiality at Board meetings, where penetrating questions and thorough discussions are encouraged, and to provide the leadership necessary to achieve this goal;
  - (l) to ensure timely and relevant information and other resources are available to the Board to adequately support its work;
  - (m) to work with the Secretary to the Board and Committee Chairs, to ensure accurate minutes of Committee meetings are prepared and approved by the Committees, for inclusion with the Board meeting agenda;

- (n) to represent the corporation, at the request of the Chief Executive Officer, to shareholders and external stakeholders, including local community groups, aboriginal, government and non-governmental organizations; and
  - (o) to carry out such other duties and responsibilities as may be required of the Chair by the Board, by Crown Investments Corporation or by the Minister Responsible for SaskEnergy from time to time.
4. The Vice Chair shall be responsible to carry out the duties and responsibilities of the Chair in his or her absence.
5. The Board Chair shall be entitled to the following remuneration for participation in meetings of the Board of Directors and Committees of the Board:
- (a) where the Board Chair is a member of a Board Committee, the Board Chair will receive remuneration at the Committee member rate;
  - (b) if the Board Chair is requested to attend at a meeting of a Board Committee in his or her official capacity as Board Chair, the Board Chair will receive remuneration for that meeting at the Board Chair rate;
  - (c) if the Board Chair attends at the meeting of a Board Committee in his or her capacity as an ex-officio member, the Board Chair will not receive remuneration for attending the meeting, but will be entitled to receive expenses associated with attending that meeting.

References to the Committee member rate and Board Chair rate above reflect those remuneration rates prescribed by Crown Investments Corporation, as amended from time to time.

# Position Description for the Chair of SaskEnergy Audit and Finance Committee

Approved by the Board of Directors January 29, 2010

1. The Board of Directors ("Board") shall appoint from among its members, a person to act as Chair for the Audit and Finance Committee of the Board of Directors ("Committee Chair") for such term or terms as the Board deems advisable. The Committee Chair shall be an independent director of the corporation as that term is defined in the Board's Terms of Reference.
2. The performance of the Committee Chair shall be evaluated on a bi-annual basis by the Committee, and reported to the Chair of the Board of Directors. The Committee Chair may be removed or replaced at any time by the Board
3. The Committee Chair shall have the following responsibilities:
  - (a) to assume principal responsibility for the operation and functioning of the Committee, providing overall leadership to the Committee without limiting its ability to function as a Committee, under its Terms of Reference;
  - (b) to lead, manage and organize the Committee, consistent with the approach to corporate governance adopted by the Board from time to time;
  - (c) to preside as Committee Chair at all meetings of the Committee;
  - (d) to set the agenda of the Committee meetings in consultation with the executives asked to assist this Committee ("Responsible Executives");
  - (e) to ensure the adoption of and compliance with procedures such that the Committee will conduct its work effectively and efficiently, independent of Management;
  - (f) to facilitate scheduling, calling and management of Committee meetings;
  - (g) to ensure the responsibilities of the Committee are effectively carried out in compliance with the Committee Terms of Reference and that the functions of the Board, delegated to the Committee are carried out by the Committee and reported to the Board, and recorded as such;
  - (h) to ensure the responsibilities of the Committee are communicated to the members of the Committee, and that the distinct role of the Committee is understood and respected;
  - (i) to ensure the Committee works together in a spirit of collegiality at Committee meetings, where penetrating questions and thorough discussions are encouraged, and to provide the leadership necessary to achieve this goal;
  - (j) to ensure timely and relevant information and other resources are available to the Committee and the Board to adequately support its work;
  - (k) to work with the Board Secretary, to ensure accurate minutes are prepared and approved by the Committee;
  - (l) to report to the Board on the activities of the Committee;
  - (m) to propose to the Board items, which have been reviewed in detail and recommended by the Committee;
  - (n) to approve the expenses of the President and CEO; and
  - (o) to carry out such other duties and responsibilities as may be required of the Committee Chair by the Board or Committee from time to time.

## Position Description for the Chair of SaskEnergy Business Development Committee

Approved by the Board of Directors January 29, 2010

1. The Board of Directors (“Board”) shall appoint from among its members, a person to act as Chair for the Business Development Committee of the Board of Directors (“Committee Chair”) for such term or terms as the Board deems advisable.
2. The performance of the Committee Chair shall be evaluated on a bi-annual basis by the Committee, and reported to the Chair of the Board of Directors. The Committee Chair may be removed or replaced at any time by the Board.
3. The Committee Chair shall have the following responsibilities:
  - (a) to assume principal responsibility for the operation and functioning of the Committee, providing overall leadership to the Committee without limiting its ability to function as a Committee, under its Terms of Reference;
  - (b) to lead, manage and organize the Committee, consistent with the approach to corporate governance adopted by the Board from time to time;
  - (c) to preside as Committee Chair at all meetings of the Committee;
  - (d) to set the agenda of the Committee meetings in consultation with the executives asked to assist this Committee (“Responsible Executives”);
  - (e) to ensure the adoption of and compliance with procedures such that the Committee will conduct its work effectively and efficiently, independent of Management;
  - (f) to facilitate scheduling, calling and management of Committee meetings;
  - (g) to ensure the responsibilities of the Committee are effectively carried out in compliance with the Committee Terms of Reference and that the functions of the Board, delegated to the Committee, are carried out by the Committee and reported to the Board, and recorded as such;
  - (h) to ensure the responsibilities of the Committee are communicated to the members of the Committee, and that the distinct role of the Committee is understood and respected;
  - (i) to ensure the Committee works together in a spirit of collegiality at Committee meetings, where penetrating questions and thorough discussions are encouraged, and to provide the leadership necessary to achieve this goal;
  - (j) to ensure timely and relevant information and other resources are available to the Committee and the Board to adequately support its work;
  - (k) to work with the Board Secretary, to ensure accurate minutes are prepared and approved by the Committee;
  - (l) to report to the Board on the activities of the Committee;
  - (m) to propose to the Board items, which have been reviewed in detail and recommended by the Committee; and
  - (n) to carry out such other duties and responsibilities as may be required of the Committee Chair by the Board or Committee from time to time.

## Position Description for the Chair of SaskEnergy Governance Committee

Approved by the Board of Directors January 29, 2010

1. The Board of Directors ("Board") shall appoint from among its members, a person to act as Chair for the Governance Committee of the Board of Directors ("Committee Chair") for such term or terms as the Board deems advisable.
2. The performance of the Committee Chair shall be evaluated on a bi-annual basis by the Committee, and reported to the Chair of the Board of Directors. The Committee Chair may be removed or replaced at any time by the Board.
3. The Committee Chair shall have the following responsibilities:
  - (a) to assume principal responsibility for the operation and functioning of the Committee, providing overall leadership to the Committee without limiting its ability to function as a Committee, under its Terms of Reference;
  - (b) to lead, manage and organize the Committee, consistent with the approach to corporate governance adopted by the Board from time to time;
  - (c) to preside as Committee Chair at all meetings of the Committee;
  - (d) to set the agenda of the Committee meetings in consultation with the executives asked to assist this Committee ("Responsible Executives");
  - (e) to ensure the adoption of and compliance with procedures such that the Committee will conduct its work effectively and efficiently, independent of Management;
  - (f) to facilitate scheduling, calling and management of Committee meetings;
  - (g) to ensure the responsibilities of the Committee are effectively carried out in compliance with the Committee Terms of Reference and that the functions of the Board, delegated to the Committee, are carried out by the Committee and reported to the Board, and recorded as such;
  - (h) to ensure the responsibilities of the Committee are communicated to the members of the Committee, and that the distinct role of the Committee is understood and respected;
  - (i) to ensure the Committee works together in a spirit of collegiality at Committee meetings, where penetrating questions and thorough discussions are encouraged, and to provide the leadership necessary to achieve this goal;
  - (j) to ensure timely and relevant information and other resources are available to the Committee and the Board to adequately support its work;
  - (k) to work with the Board Secretary, to ensure accurate minutes are prepared and approved by the Committee;
  - (l) to report to the Board on the activities of the Committee;
  - (m) to propose to the Board items, which have been reviewed in detail and recommended by the Committee; and
  - (n) to carry out such other duties and responsibilities as may be required of the Committee Chair by the Board or Committee from time to time.

## Position Description for the Chair of SaskEnergy Human Resources/Compensation Committee

Approved by the Board of Directors January 29, 2010

1. The Board of Directors (“Board”) shall appoint from among its members, a person to act as Chair for the Human Resources/ Compensation Committee of the Board of Directors (“Committee Chair”) for such term or terms as the Board deems advisable. The Committee Chair shall be an independent director of the corporation as that term is defined in the Board’s Terms of Reference.
2. The performance of the Committee Chair shall be evaluated on a bi-annual basis by the Committee, and reported to the Chair of the Board of Directors. The Committee Chair may be removed or replaced at any time by the Board.
3. The Committee Chair shall have the following responsibilities:
  - (a) to assume principal responsibility for the operation and functioning of the Committee, providing overall leadership to the Committee without limiting its ability to function as a Committee, under its Terms of Reference;
  - (b) to lead, manage and organize the Committee, consistent with the approach to corporate governance adopted by the Board from time to time;
  - (c) to preside as Committee Chair at all meetings of the Committee;
  - (d) to set the agenda of the Committee meetings in consultation with the executives asked to assist this Committee (“Responsible Executives”);
  - (e) to ensure the adoption of and compliance with procedures such that the Committee will conduct its work effectively and efficiently, independent of Management;
  - (f) to facilitate scheduling, calling and management of Committee meetings;
  - (g) to ensure the responsibilities of the Committee are effectively carried out in compliance with the Committee Terms of Reference and that the functions of the Board, delegated to the Committee are carried out by the Committee and reported to the Board, and recorded as such;
  - (h) to ensure the responsibilities of the Committee are communicated to the members of the Committee, and that the distinct role of the Committee is understood and respected;
  - (i) to ensure the Committee works together in a spirit of collegiality at Committee meetings, where penetrating questions and thorough discussions are encouraged, and to provide the leadership necessary to achieve this goal;
  - (j) to ensure timely and relevant information and other resources are available to the Committee and the Board to adequately support its work;
  - (k) to work with the Board Secretary, to ensure accurate minutes are prepared and approved by the Committee;
  - (l) to report to the Board on the activities of the Committee;
  - (m) to propose to the Board items, which have been reviewed in detail and recommended by the Committee; and
  - (n) to carry out such other duties and responsibilities as may be required of the Committee Chair by the Board or Committee from time to time.

## Position Description for the Chair of SaskEnergy Safety, Health & Environment Committee

Approved by the Board of Directors January 29, 2010

1. The Board of Directors (“Board”) shall appoint from among its members, a person to act as Chair for the Safety, Health & Environment Committee of the Board of Directors (“Committee Chair”) for such term or terms as the Board deems advisable.
2. The performance of the Committee Chair shall be evaluated on a bi-annual basis by the Committee, and reported to the Chair of the Board of Directors. The Committee Chair may be removed or replaced at any time by the Board.
3. The Committee Chair shall have the following responsibilities:
  - (a) to assume principal responsibility for the operation and functioning of the Committee, providing overall leadership to the Committee without limiting its ability to function as a Committee, under its Terms of Reference;
  - (b) to lead, manage and organize the Committee, consistent with the approach to corporate governance adopted by the Board from time to time;
  - (c) to preside as Committee Chair at all meetings of the Committee;
  - (d) to set the agenda of the Committee meetings in consultation with the executives asked to assist this Committee (“Responsible Executives”);
  - (e) to ensure the adoption of and compliance with procedures such that the Committee will conduct its work effectively and efficiently, independent of Management;
  - (f) to facilitate scheduling, calling and management of Committee meetings;
  - (g) to ensure the responsibilities of the Committee are effectively carried out in compliance with the Committee Terms of Reference and that the functions of the Board, delegated to the Committee are carried out by the Committee and reported to the Board, and recorded as such;
  - (h) to ensure the responsibilities of the Committee are communicated to the members of the Committee, and that the distinct role of the Committee is understood and respected;
  - (i) to ensure the Committee works together in a spirit of collegiality at Committee meetings, where penetrating questions and thorough discussions are encouraged, and to provide the leadership necessary to achieve this goal;
  - (j) to ensure timely and relevant information and other resources are available to the Committee and the Board to adequately support its work;
  - (k) to work with the Board Secretary, to ensure accurate minutes are prepared and approved by the Committee;
  - (l) to report to the Board on the activities of the Committee;
  - (m) to propose to the Board items, which have been reviewed in detail and recommended by the Committee; and
  - (n) to carry out such other duties and responsibilities as may be required of the Committee Chair by the Board or Committee from time to time.

# SaskEnergy Incorporated

## Position Description for Individual Director

The SaskEnergy Board has approved Terms of Reference which set out the principal duties and responsibilities to be discharged by the Board and its Committees. To execute their responsibilities, directors must possess certain knowledge, skills and attributes including personal and professional characteristics which will be used in screening, selecting and evaluating the contribution of directors. The responsibilities here are intended to complement the Terms of Reference for the Board and its Committees, as well as the Position Descriptions for the Chair of the Board and the Chairs of the Committees. The position description for individual Directors sets out the responsibilities and expected behaviors for a Director and serves as a guideline for individual Director performance.

### 1. **Legal Requirements**

In performing their duties and responsibilities, each Director shall:

- a) act honestly and in good faith with a view to the best interests of the Corporation, while taking into account the public policy and business objectives of the Corporation;
- b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstance; and
- c) comply with all laws, including the provisions of *The Crown Corporations Act*, 1993, and *The SaskEnergy Act*, as amended or replaced from time to time.

### 2. **Integrity and Accountability**

Each Director has responsibility to:

- a) comply with both the Crown Investments Corporation Director's Code of Conduct, and the Corporation's Code of Business Conduct and Ethics Policy, as amended from time to time, in fulfilling their statutory and fiduciary obligations as Directors of the Corporation;
- b) demonstrate leadership by requiring of themselves and of Corporate employees high standards of ethical behavior in the conduct of Board and Corporate business;
- c) advance the interests of the Corporation and the effectiveness of the Board by bringing their knowledge and experience to bear on the strategic and operational issues facing the Corporation and provide constructive counsel to and oversight of Management; and
- d) act on and be accountable for decisions made by the Board.

### **3. Board Service Expectations**

Directors must become knowledgeable about the Corporation and the industry so as to understand and question the assumptions upon which strategic and business plans are based. Directors must ensure that they have the necessary skills and abilities to discharge their responsibilities and add value to the Corporate decisions, and to maintain their industry and governance knowledge and ability to contribute to the effective performance of the Board.

Each Director is expected to fulfill their duties and responsibilities to the Corporation in accordance with the following service expectations:

#### **3.1 Corporate Stewardship**

Each Director is responsible for:

- a) understanding and promoting the Director's role by providing leadership, policy, governance and insight, with emphasis on vision to prescribe the results expected and the measures of such results;
- b) understanding the difference between governing and managing the Corporation and not encroaching on management's responsibilities; and
- c) advancing the interests of the Corporation and the effectiveness of the Board by bringing their knowledge and experience to bear on strategic and operational issues facing the Corporation and provide constructive counsel to and oversight of Management.

#### **3.2 Corporate and Industry Knowledge**

Each Director is responsible for:

- a) Knowledge – understanding the Corporation's business and its industry, and the risks and challenges involved in achieving corporate strategies;
- b) Structure – understanding the Corporation's organizational structure and culture, including the regulatory, legislative, business, social and political environments within which the Corporation operates, as well as becoming acquainted with members of the Corporation's Executive team;
- c) Competence – applying their special skills, expertise, knowledge and external contacts to contribute to the Board's overall performance; and
- d) Skill Development – participate in and receive orientation, on-going training and education developed by the Corporation from time to time.

### **3.3 Communication and Confidentiality**

Each Director is responsible to:

- a) participate fully and frankly in the deliberations and discussions of the Board and its Committees;
- b) encourage free and open discussion of the Corporation's affairs amongst the Board;
- c) establish effective, independent and respected presence and collegial relationship with other Directors;
- d) participate in media communications and public discussion of the Corporation's business in accordance with the SaskEnergy Board of Directors Public Speaking Policy; and
- e) maintain the confidentiality of all Board deliberations and material and all customer related information, both during and after their tenure as a Director.

### **3.4 Representation and Unanimity**

- a) Each Director is expected to have the best interests of the Corporation foremost in their decision-making and exercise independent judgment in carrying out their responsibilities, even if a Director may, based on their specific background, be in a better position to represent the interests of the specific group or constituency..
- b) Once a decision is reached, the Board of Directors speaks with one voice.

### **3.5 Committee Work**

Each Director is responsible to:

- a) participate on Committees and become knowledgeable about the purpose and goals of each Committee; and
- b) understand how committees function, and the role of management and staff supporting the Committees.

### **3.6 Attendance and Preparation**

- a) Directors shall properly prepare for all scheduled meetings by reading the reports and background materials provided for the meeting and acquiring adequate information necessary for decision making..

- b) Each Director should understand and devote the time requirements to adequately fulfill their responsibilities as a Director. The number of scheduled meetings for the Board and each of its Committees will be outlined in the Annual Work Plan and in the Terms of Reference for the Board and Board Committees. Other time commitments are on an as-requested basis.
  
- c)
  - (i) Each Director is responsible to attend all Board meetings, and Committee meetings of which the Director is a member;
  - (ii) An attendance record of below 85% for both Committee and Board meetings will create considerable concern for the Board; and
  - (iii) All Directors are expected to attend all regularly scheduled meetings.
  
- d) Each Director is responsible to communicate with the Chair between meetings, as necessary and appropriate, including providing advance notice of their intent to introduce significant or previously unknown information at a Board meeting.