

CORPORATE GOVERNANCE COMMITTEE CHARTER

FCC Board of Directors

Last reviewed: December 9, 2020 (Board Minute No. 20/21:09:03)

OVERALL RESPONSIBILITIES

The Corporate Governance Committee of the Board of Directors has the mandate to assist the Board in fulfilling its oversight responsibilities with respect to corporate governance of the corporation. The committee reviews, reports and, when appropriate, provides recommendations to the Board regarding all corporate governance matters of the corporation, including FCC's strategic planning processes, code of conduct, and strategy regarding corporate social responsibility. The committee is also responsible for government relations. The committee has the mandate to review, report and provide recommendations to the Board and the corporation's Minister regarding the appointment of directors and the Board Chairperson.

RESPONSIBILITIES AND DUTIES

The Board assigns to the Corporate Governance Committee the following duties and responsibilities to be performed by the committee on behalf of the Board under the following broad categories:

- A. Governance practices
- B. Strategy
- C. Government relations and corporate social responsibility
- D. Board renewal, education and evaluation

A. Governance practices

Responsibility:

The Corporate Governance Committee is responsible to continually review the Board's and the corporation's corporate governance policies, practices and initiatives, with consideration given to best practices, regulatory requirements and emerging trends, and make recommendations to the Board.

Duties:

- Review governance best practices and Treasury Board of Canada requirements for corporate governance and recommend to the Board the policies, processes, initiatives and enhancements to the corporation's systems that will promote good governance practices of the Board and its committees and ethical business conduct and a culture of integrity in the corporation.
- Review and recommend to the Board the statements of accountability, charters and other governance statements concerning the role of the Board.
- Review and recommend to the Board, as appropriate, proposed changes to the charters of the committees of the Board.
- Monitor the relationship, communication process, and information exchanged between the Board and management and provide recommendations.
- Oversee changes to the FCC Code of Conduct and review and recommend changes to the Board for approval.
- Review and recommend to the Board annually the wording statement for the FCC Annual Report that describes the corporation's approach to governance.
- Review the corporation's corporate governance framework, principles, process and guidelines, and any related disclosure.
- Review with the CEO the general tenor and level of disclosure that the committee feels is appropriate for the FCC Annual Report and provide recommendations.
- Review and recommend to the Board the purpose and size of committees of the Board.
- Work with the Board Chairperson to review the skills and competencies of individual directors and develop joint recommendations related to membership and chairs of all Board committees for approval by the Board.
- Review and make recommendations to the Board regarding the compensation to be paid to Board and committee members for annual retainers, per diems, benefits and expenses.

- Review and make recommendations concerning processes for in-camera meetings of the Board and its committees.

B. Strategy

Responsibility:

The Corporate Governance Committee is responsible for oversight of the corporation's strategic planning.

Duties:

- Review and make recommendations to the Board regarding the corporation's strategic planning process and the Board's role in that process.
- Under the direction of the committee Chair and CEO, review and make recommendations regarding the application of legislation that relates to corporate governance.

C. Government relations and corporate social responsibility

Responsibility:

The Corporate Governance Committee is responsible for overseeing the Board's and the CEO's relationship with government, industry and other stakeholders and with the Minister responsible for the corporation.

Duties:

- Monitor the quality of the relationship between the Board, the Board Chairperson and the CEO and government, industry and other stakeholders and with the Minister responsible for the corporation and make recommendations to the Board as may be necessary or advisable.
- Oversee the strategic direction and reporting of the corporation's corporate social responsibility program and benchmarking of the corporation's social responsibility performance and practices.
- Review global trends and practices for corporate disclosure of non-financial performance.

D. Board renewal, education and evaluation

Responsibility:

The Corporate Governance Committee is responsible for making recommendations to the Board and the Minister responsible for the corporation regarding the appointment of directors and the Board Chairperson, and for assisting Board members with training to allow them to effectively carry out their responsibilities. The committee is also responsible for maintaining a matrix of areas of expertise and experience that should be represented on the Board with the existing experience and strengths of current members of the Board to identify gaps in the collective skill set of the Board and enable it to promote geographic, gender and ethnic diversity on the Board. This matrix should be aligned to the corporation's longer-term strategic focus.

Duties:

- Oversee appropriate orientation and training for new Board members and continuing education for all Board members.
- Serve as a resource to the Board for ongoing education about directors' duties and responsibilities.
- Oversee an evaluation of the roles and responsibilities of directors and committees (including a self-assessment of this committee) and report to the Board on their effectiveness and performance, including any action plans that the committee considers appropriate.
- Maintain records as to the education, skills, background, qualifications and attributes of all directors.
- Review and recommend to the Board the statements of accountabilities and profiles for the role of the Board Chairperson and Board members, which will be used to determine qualified potential candidates for appointment.
- Oversee the appointment process with respect to new directors and the Board Chairperson and work with the corporation's Minister, Treasury Board Secretariat and Privy Council Office regarding the solicitation of applications for directors and the Board Chairperson by those offices as directed or required.

MEMBERSHIP AND MEETINGS

1. **Membership:** The committee is comprised of a minimum of four members, all of whom must be free from any business or other relationship that could impair, or be perceived to impair, the exercise of independent

judgment. Members should consult with the Corporate Secretary to discuss and clarify any potential areas of conflict of interest.

2. **Skills and experience:** Committee members should have the skills and experience to fulfil their responsibilities or be ready and willing to obtain them through appropriate information and training.
3. **Appointment:** The committee Chair and members of the committee are appointed by the Board and serve at the pleasure of the Board until replaced. Any member of the committee may act as committee Chair, but cannot also be the Board Chairperson or CEO. The committee secretary is the Corporate Secretary or designate, who need not be a director. If the position of committee Chair is vacant or if the Chair is absent or unable to act, the Board Chairperson may designate, or the committee may elect, an acting committee Chair for the meeting.
4. **Reporting to Board:** At the first meeting of the Board following each committee meeting, the committee Chair reports on the activities and findings of the committee and, where applicable, presents the committee's recommendation(s) to the Board for approval.
5. **Adviser:** Where the committee believes there are skills and experience required of its members that cannot sufficiently be provided by them, the committee may supplement its capacity through the appointment of an adviser. An adviser participates at the pleasure of the committee. An adviser is not a member of the committee, but has the ability to fully participate in the discussion. An adviser cannot be an employee of the corporation and has no right to vote. The corporation may provide remuneration and may agree to indemnify the adviser as the committee recommends and the Board approves, in consultation with the corporation and its legal advisers. Nothing in this paragraph will be interpreted as precluding the committee, at any time or from time to time, from engaging internal or external consultants to assist the committee in carrying out its duties.
6. **Quorum:** A quorum consists of three committee members, not including any adviser(s). In the case of a tied vote, the committee Chair has, in addition to the Chair's original vote, a deciding vote.
7. **Meetings:** The committee meets at least four times each year. Meetings are held at the call of the committee Chair and committee members are given at least 48 hours' notice of a meeting.
8. **In-camera:** At each meeting, the committee meets separately in-camera, with or without any other meeting participant such as senior management representatives or an adviser, to discuss the relationship between them and any problems or issues related to fulfillment of the committee's responsibilities and duties.
9. **Conduct of meetings:** Meetings may be held in person or by teleconference, video conference or other electronic means.
10. **Agenda and materials:** The committee Chair establishes agendas in consultation with management and ensures materials are circulated to members in sufficient time for review before the meeting.
11. **Information needs:** The committee should have access to accurate, relevant and timely financial and non-financial information, industry and other external data to determine industry benchmarks and best practices, and other comparative information that is prepared on a consistent basis.
12. **Governance:** On an annual basis, the committee:
 - reviews and assesses the adequacy of this charter and makes recommendations to the Board for approval
 - outlines a schedule of activities and agendas (workplan) for its meetings
 - assesses and confirms that all responsibilities outlined in this charter and the workplan have been carried out

History:

Enacted May 29, 2002	Minute No. 02/03:01:08
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