



## **BUSINESS DEVELOPMENT COMMITTEE TERMS OF REFERENCE**

Reviewed by the Business Development Committee – May 18, 2011  
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## **1. OBJECTIVE**

The Board has approved business strategies and business plans to make investments for the purpose of increasing revenues and profits to the Corporation over time and providing stimulus to the Saskatchewan economy.

The Board discharges its responsibility for oversight of strategic and tactical investment and business opportunities through the Committee. Unless directed by the Board, the Committee does not either: (a) approve individual investments, but works with Management to review and critique new business ideas and initiatives; or (b) examine investments within the core utility functions of transportation, distribution, and storage that currently exist within the Corporation's operations.

## **2. CONSTITUTION**

- 2.1 The Committee shall be comprised of a minimum of three (3) members of the Board, the majority of members to be independent Directors of the Corporation pursuant to the standards for independence adopted by the Board.
- 2.2 At least one member of the Committee shall have expertise in business development. In the event there is no member with expertise in business development, upon adoption of the Committee's Terms of Reference, or upon appointment to the Committee, one of the Committee members shall undertake to develop business development expertise. That Committee member shall be granted a transition period to develop business development capabilities within a reasonable period of time after appointment, and shall report same to Chair of the Committee.
- 2.3 The Committee members shall be appointed by resolution of the Board. Each member shall continue as a member until a successor is appointed, unless the member resigns, or is removed by resolution of the Board or otherwise ceases to be a member of the Board.
- 2.4 Where a vacancy occurs at any time in the membership of the Committee, 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) members as a result of the vacancy.
- 2.5 The Board, or in the event of its failure to do so, the Committee, shall appoint a Chair from among the Committee members. If the Chair of the Committee is not present at any meeting of the Committee, the Chair of the meeting shall be chosen by the Committee from among the members present.
- 2.6 The 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 motion is defeated.

- 2.7 The Secretary to the Board shall serve as Secretary to the Committee. If the Secretary is not present at any meeting of the Committee, the Committee may appoint an acting Secretary to perform the functions of the Secretary at that meeting.
- 2.8 The Committee shall assist with deliberations required for the fulfilment of the Board's mandate and those specific responsibilities and duties assigned to the Committee; however, unless specifically stated otherwise, the Committee shall act in advisory capacity only, recommending decisions to the Board for approval.

### **3. DUTIES AND RESPONSIBILITIES**

#### **3.1 Business Development:**

The Committee shall have the following duties and responsibilities respecting business development:

- 3.1.1 Review and report to the Board on investment and business development strategies.
- 3.1.2 Review tactical plans developed to achieve investment and business development goals set out in the Corporation's Strategic Plan.
- 3.1.3 Review, monitor and report to the Board on investment and business development opportunities.
- 3.1.4 Review the economic evaluations of potential investments and business development opportunities.
- 3.1.5 Review and recommend for the approval of the Board, the appropriate operating structure for potential investments and business developments.
- 3.1.6 Monitor compliance with the External Investment Policy, Processes and Guidelines for Subsidiary Crown Corporations, and the Significant Transactions Reporting Policy, as well as any other guidelines established by Crown Investments Corporation relating to investments and business development.
- 3.1.7 Review and monitor Management reports regarding the proper due diligence for any investment or business development to be undertaken.
- 3.1.8 Review and recommend for the approval of the Board investments or business development projects and initiatives.
- 3.1.9 Review and recommend to the Board for approval the business development aspects of the Corporation's annual business plan.

- 3.1.10 Review and monitor the monetization of external investments.
- 3.1.11 When requested by the Board, review and report on the status and future outlook of existing investments and business developments held by the Corporation from time to time. Such review should include using approved corporate business plan metrics.
- 3.1.12 Review and report to the Board on the effectiveness and timeliness of Management's execution of specific investments that were approved by the Board.

### **3.2 General Governance:**

The Committee shall have the following general duties, functions and responsibilities to:

- 3.2.1 Adopt an Annual Work Plan to ensure that duties and responsibilities listed in the Terms of Reference are scheduled to be achieved;
- 3.2.2 Provide formal evaluation in writing on the performance of the Committee on a bi-annual basis;
- 3.2.3 Review annually, in conjunction with the Governance Committee, and report to the Board on the adequacy of the Committee's Terms of Reference; and
- 3.2.4 Produce and provide to the Board an annual evaluation of the Committee, which shall compare the effectiveness of the Committee with the requirements of these Terms of Reference, including the Annual Work Plan.

## **4. MEETINGS**

- 4.1 The Committee shall meet a minimum of four (4) times a year, preferably quarterly.
- 4.2 A meeting of the Committee may be called by the Chair of the Committee, the Chair of the Board or President and Chief Executive Officer of the Corporation or by any two (2) members of the Committee.
- 4.3 A quorum for meetings shall be three (3) directors present in person or by telephone or other telecommunications device that permits all persons participating in the meeting to speak and hear one another.
- 4.4 Reasonable notice, preferably (7) days before the meeting, shall be given in writing, by e-mail or by facsimile communication to each member of the Committee.

- 4.5 The Agenda and associated material shall be sent to each member of the Committee prior, preferably seven (7) days, to the time for such meeting.
- 4.6 A director may in any manner waive a notice of meeting, and attendance of a director at the meeting is a waiver of notice of the meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not properly called.
- 4.7 The Committee shall have the right to determine who shall and shall not be present at any part of the meetings of the Committee, and may hold in camera sessions.

## **5. MINUTES AND REPORTING RESPONSIBILITIES**

- 5.1 An outline of material proceedings and deliberations addressed by the Committee, and all recommendations, decisions and directives of the Committee shall be recorded by the Secretary in the minutes of the meeting.
- 5.2 A draft copy of the minutes of such meeting, approved by the Committee Chair, shall be circulated to the Committee prior to the next Committee meeting where practicable, for approval by the Committee. A Committee member may request that the minutes be revised to include specific deliberations. 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 re-circulated to the Committee.
- 5.3 Approved minutes shall be circulated to the Board prior to the next regular Board meeting.
- 5.4 A report of the Committee meeting shall be made at the next regular meeting of the Board. Reports to the Board may take the form of an oral or written report by the Chair of the Committee, or any other member of the Committee designated by the Committee to make the report.

## **6. SUPPORT TO THE COMMITTEE**

- 6.1 The Committee shall identify, through the Office of the President and Chief Executive Officer, or designate, the kind and frequency of information required by the Committee.
- 6.2 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 appropriate corporate officers and employees, coordinated through the Office of the President and Chief Executive Officer, such records and other relevant matters.

- 6.3 The Committee shall have the authority to retain external advisors, experts or consultants, in order to properly discharge its duties and responsibilities.

**7. CONFIDENTIALITY**

- 7.1 All deliberations of the Committee, and all records, material and information pertaining to the Corporation obtained by a member of the Committee, shall be considered confidential. Committee members shall maintain the confidentiality of such deliberations, and shall safeguard such records, material and information from improper access.