



OIL AND GAS COMMISSION

Governance and Human Resources Committee
(“GHRC”)

Terms of Reference

Version: April 15, 2008

1. BACKGROUND

These terms of reference are to be read subject to all of the provisions of the Oil and Gas Commission Act, SBC 1998, c. 39 (attached).

2. MISSION

The GHRC is a standing committee of the board of directors (the “Board”) of the Commission established to assist the Board in fulfilling its responsibility to:

- a. provide oversight and direction in regard to human resource and compensation matters;
- b. establish the policies and procedures appropriate to ensure the good governance of the Commission.

3. COMPOSITION

- a. The GHRC is composed of the Board Chair, the director who is not the Commissioner (the “Third Director”), and, in an ex-officio capacity, the senior officer of the Commission responsible for Human Resources, and the Board Secretary.
- b. The Third Director shall act as the Chair of the GHRC.

4. RESPONSIBILITIES

With respect to governance matters

- a. Review the Commission's governance policies and processes, including relevant documents as set forth in the Commission's "Governance Manual" and report and make recommendations to the Board annually, and more frequently as required, with respect to governance matters.

With respect to human resource and compensation matters

- a. To approve all compensation strategy and plan proposals prior to their submission to the Public Sector Employers Council (PSEC).
- b. To approve all trade union negotiations strategy proposals prior to their submission to PSEC.
- c. To annually set the Commissioner's performance objectives (*Board members only*).
- d. To annually assess the performance of the Commissioner against the agreed objectives (*Board members only*).
- e. To approve the compensation of the Commissioner on an annual basis for both base and incentive pay within the parameters approved by PSEC.
- f. To approve the performance and compensation of the Commission's executive leadership team on an annual basis within the parameters of the excluded compensation plan approved by PSEC. (*Board members only meet with Commissioner*).
- g. To ensure that the Commission has a sound plan in place for management succession.
- h. To ensure that the Commission maintains appropriate human resource and compensation policies.
- i. To approve any changes to the benefit plans provided to Commission employees.

5. MEETINGS, PROCEDURES and CALENDAR

- a.** The proceedings of the GHRC shall be governed by any generally applicable directions or procedures that may be established by the Board from time to time for the operation of Committees and in the absence of the same may establish its own procedures consistent with these terms of reference. The GHRC may meet by telephone and decide matters by unanimous email or other written resolution to the same extent as the Board.
- b.** Any approval or direction from the GHRC shall require the unanimous decision of the two Board members serving on the GHRC.
- c.** The GHRC will direct the Commission, through the Commissioner, to provide any required information and to take any necessary action.
- d.** The GHRC may report any material concerns in the following escalating order:
 - i.** Commissioner
 - ii.** Board of Directors
 - iii.** Minister of Energy, Mines and Petroleum Resources
- f.** The GHRC shall meet twice in each fiscal year of the Commission and more frequently as it may determine to be advisable. For administrative convenience, the Committee shall, whenever possible, meet on dates close to those of full Board meetings.
- g.** The GHRC may retain contracted assistance as required.
- h.** The GHRC Chair shall make regular reports to the full Board.
- i.** A record of decisions will be maintained by the Director Human Resources.
- j.** Expenses of the GHRC shall be charged to the Board Operations Budget.