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## 1 Currency of the Mandate

This mandate was reviewed and approved by the Board of Directors on February 26, 2019.



## 2 Purpose

The purpose of the Corporate Governance and Nomination Committee (the "Committee"), a committee of the Board of Directors (the "Board") of Pason Systems Inc. ("Pason"), is to assist the Board in fulfilling its oversight responsibilities in relation to corporate governance practices and policies of Pason.

## 3 Mandate

The Committee shall have the accountabilities and responsibilities set out below as well as any other matters that are specifically delegated to the Committee by the Board. In addition to these accountabilities and responsibilities, the Committee shall perform the duties required of a Canadian public company under applicable securities laws, stock exchange rules or other applicable laws.

### 3.1 Corporate Governance Matters

With respect to the governance of the Board and its committees, the Committee shall regularly or when required:

- Consider the corporate governance policies and practices of Pason.
- Monitor developments in corporate governance issues and make recommendations to the Board that the Committee considers advisable to satisfy itself that Pason follows appropriate and proper governance practices.
- Be satisfied that each Board member has advised the Committee with respect to any other boards of directors on which the members of the Board may serve from time to time and any material relationships with Pason, and consider whether such situations may constitute conflicts of interest, compromise the director's independence or compromise the ability of the director to devote the required time and attention to the affairs of Pason.
- Review with the Board matters relating to organizational structure at the officer level of Pason and its subsidiaries and recommend officer appointments to the Board for consideration.
- At least annually, the Committee shall:
  - Review Pason's corporate governance activities and approve changes it considers appropriate, taking into account regulatory requirements and governance best practices.
  - Develop and review the mandates for the Board and its Board Committees and the position descriptions for the CEO, CFO and Corporate Secretary and make recommendations to the Board with respect thereto.
  - Review the succession and emergency preparedness planning process for the Chair of the Board and recommend the process for Board approval.
  - Review share ownership guidelines for Executives and monitor compliance.

### 3.2 Composition and Performance of the Board and its Committees

With respect to the performance of the Board and its committees, the Committee shall:

- Review Board structures and procedures to be satisfied that the Board functions independently of management.
- Review the definition of independence as it applies to the Board and identify which directors should be classified as independent.

- Consider and recommend for Board approval, the appointment of directors to Board committees.
- Consider and recommend for Board approval candidates for nomination or appointment to the Board.
- Establish and recommend for Board approval appropriate criteria for the selection of Board and Board committee members, including competencies and skills that the Board as a whole should possess.
- Recommend to the Board the addition or replacement of one or more directors as may be considered necessary or appropriate from time to time, taking into account the capacity, competencies, and skills of the Board and of each existing director.
- Review, from time to time, the retirement age and/or service terms for directors.
- Develop and review the orientation and education program for new and continuing directors.
- Be satisfied that Board members enhance their skills and abilities as directors and improve their knowledge of Pason and its business with attention given to meeting and maintaining relations with senior management.
- Recommend for Board approval the appointment/removal of the Chair of the Board or the Lead Director. Upon vacancy of the Chair of the Board, the Committee may make a replacement recommendation to the Board based on the succession planning process.
- Review the amount and form of directors' fees and compensation for Board and committee member service in relation to time commitment, responsibilities, risks and current norms, and recommend any adjustments thereto to the Board for its consideration and approval.
- At least annually:
  - Assess the performance and effectiveness of the Board, its committees and its individual members and report its findings to the Board and based on those findings recommend any action plans the Committee considers appropriate.
  - Assess the need for, and the performance and suitability of, the committees of the Board and their individual members and make recommendations to the Board with respect to the appointment, removal, or replacement of committee members and committee chairs.
  - Review director qualification criteria and recommend for Board approval changes the Committee considers appropriate.
  - Review the size and composition of the Board with a view to being satisfied that the Board has an appropriate mix of competencies and skills to facilitate effective decision-making as well as the capacity to effectively discharge its duties and responsibilities.

### **3.3 Disclosure**

With respect to the disclosure procedures and policies of the Board and its committees, the Committee shall:

- Review and recommend for approval to the Board, the annual corporate governance disclosure of Pason in its Annual Information Form, Information Circular and the Annual Report.

- Review Pason's disclosure and trading policies and recommend to the Board for approval any changes to those or any other significant corporate compliance policies not under the oversight of another committee of the Board.

### **3.4 Conflicts of Interest and Codes of Conduct**

With respect to conflicts of interest and Pason's Code of Conduct and Ethics, the Committee shall:

- Review and if advisable, approve any waiver from a provision of the Code of Conduct and Ethics policy for any director, officer, employees or contractors requested by a member of senior management.
- Be responsible for monitoring the Ethics Hotline for non-financial issues and reporting any material findings to the Board and recommend a course of action.
- Review and recommend for approval to the Board any changes to the Code of Conduct and Ethics of Pason.

### **3.5 Health and Safety Risks and Compliance**

With respect to health and safety, the Committee shall:

- At least annually:
  - Review management's assessment of the health and safety performance of Pason and report any material findings to the Board and recommend changes the committee considers appropriate.
  - Review management's assessment of compliance with laws and regulations as they pertain to responsibilities under this mandate, report any material findings to the Board and recommend changes the Committee considers appropriate.



## **4 Membership and Organization**

### **4.1 Duties and Responsibilities of the Committee Chair**

In addition to the duties of the Committee, as set forth in this Mandate, the additional responsibilities of the Committee Chair are as follows:

- Be an independent member of the Board of Directors.
- Provide leadership to the Committee, reviewing and monitoring its responsibilities and reporting to the Board on recommendation and decisions of the Committee.
- Work with the Chief Executive Officer (“CEO”) in the recruitment of new directors.
- Ensure Committee meetings are concluded in an effective, efficient and focused manner. \_

### **4.2 Meetings**

The procedures of the Committee meetings shall be as outlined in the Mandate of the Board of Directors.

### **4.3 Authority to Engage Experts**

The Committee has the authority to engage independent counsel and other advisors as it determines advisable to carry out its duties, with such engagement to be at Pason’s expense.

### **4.4 Review of Terms of Reference**

The Committee shall review and reassess the adequacy of this mandate at least once per year, and otherwise as deemed appropriate, and recommend changes to the Board.

### **4.5 No Rights Created**

This Mandate does not create any legally binding obligations on the Board, any Board Committee, any Director or Pason.