



1. Membership

The Governance and Nominating Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of Power Financial Corporation (the “*Corporation*”) shall consist of not less than three Directors. Members of the Committee shall be appointed by the Board and shall serve as members at the pleasure of the Board. The Board shall also appoint the Chair of the Committee.

2. Procedural Matters

In connection with the discharge of its duties and responsibilities, the Committee shall observe the following procedures:

- 2.1 **Meetings** – The Committee shall meet as often as may be necessary to discharge its duties and responsibilities hereunder. The Committee may meet at any place within or outside of Canada.
- 2.2 **Advisors** – The Committee may, at the Corporation’s expense, engage such outside advisors as it determines necessary or advisable to permit it to carry out its duties and responsibilities.
- 2.3 **Quorum** – A quorum at any meeting of the Committee shall be a majority of the Committee members.
- 2.4 **Secretary** – The Chair (or, in the absence of the Chair, the acting Chair) of the Committee shall appoint a person to act as secretary of meetings of the Committee.
- 2.5 **Calling of Meetings** – A meeting of the Committee may be called by the Chair of the Committee, by an Executive Co-Chair of the Board, or by a majority of the Committee members, on not less than 48 hours’ notice to the members of the Committee specifying the place, date and time of the meeting. Meetings may be held at any time without notice if all members of the Committee waive notice. If a meeting of the Committee is called by anyone other than an Executive Co-Chair of the Board, the person(s) calling such meeting shall so inform the Executive Co-Chairs of the Board and the Chair of the Committee.

3. Duties and Responsibilities

In addition to any other duties and responsibilities assigned to it from time to time by the Board, the Committee shall have the following duties and responsibilities:

- 3.1 **Director Qualifications** – The Committee shall recommend to the Board candidates for Directors that possess the qualifications, competencies, skills, experience, and level of commitment required of a Director in order to fulfill Board responsibilities and the personal qualities that should be sought in candidates for Board membership.
- 3.2 **Board Candidates** – The Committee shall, after considering:
 - a. the competencies and skills that the Board considers to be appropriate for the Board as a whole to possess;
 - b. the competencies and skills that the Board considers each existing Director to possess and that each new nominee will bring to the Board;



- c. the objectives of the Corporation's Diversity Policy; and
- d. the appropriate level of representation on the Board by Directors who are independent of management and who are neither officers nor employees of any of the Corporation's affiliates;

identify candidates qualified for Board membership, and recommend to the Board nominees to be placed before the shareholders at the next annual general meeting.

- 3.3 **Committee Membership** – The Committee shall recommend to the Board individuals for appointment to the committees of the Board after considering the mandates of the respective committees, the skills that each Director possesses, and the appropriate level of representation on the committees by Directors who are independent of management and who are neither officers nor employees of any of the Corporation's affiliates.
- 3.4 **Director Orientation and Education** – The Committee shall ensure that all newly appointed Directors are provided with an orientation as to the nature and operation of the business and affairs of the Corporation, the role of, and expectations as to the contributions to be made, by the Board and its committees, and that existing Directors are periodically updated in respect of the foregoing.
- 3.5 **Board, Committee and Director Assessment** – The Committee shall assess, on a regular basis, the structure, composition, effectiveness and contribution of the Board, of all committees of the Board, and of the Directors.
- 3.6 **Corporate Governance** – The Committee shall review the Corporation's approach to corporate governance including, without limitation:
- a. recommending to the Board for approval charters for the Board and Board committees, and position descriptions for the Executive Co-Chairs of the Board, the Lead Director and for the Chair of each Board committee;
 - b. recommending to the Board appropriate sizes for the Board and for committees of the Board;
 - c. working with the Executive Co-Chairs of the Board, the Lead Director and the President and Chief Executive Officer and other members of management to ensure that the Corporation has a strong corporate governance culture and strong governance processes;
 - d. monitoring developments in the area of corporate governance and undertaking other initiatives that may be desirable to maintain high standards of corporate governance; and
 - e. annually reviewing and recommending to the Board for approval disclosure relating to the Corporation's approach to governance in accordance with applicable rules and regulations that shall be disclosed in the management proxy circular prepared in connection with the Corporation's annual meeting of shareholders.
- 3.7 **Diversity Effectiveness** – On an annual basis, the Committee will assess the effectiveness of the Board nomination process at achieving the objectives of the Corporation's Diversity Policy.



3.8 **Corporate Social Responsibility** – The Committee shall be responsible for monitoring the implementation of the Corporation’s policy and strategy with respect to corporate social responsibility.

3.9 **Risk Oversight** – In performing its duties and exercising its powers, the Committee shall oversee the Corporation’s approach to appropriately addressing potential risks related to governance matters.

4. Access to Information

The Committee shall have access to all information, documents and records of the Corporation that it determines necessary or advisable to permit it to carry out its duties and responsibilities.

5. Review of Charter

The Committee shall periodically review this Charter and recommend any changes to the Board that it deems appropriate.

6. Reporting

The Chair of the Committee shall report to the Board on matters reviewed or considered by the Committee since the Chair’s last report to the Board.

Adopted by the Board of Directors on March 29, 2006, as amended August 7, 2009, on March 10, 2011, on March 13, 2013 and on March 19, 2014, and amended by the Committee on March 21, 2018 and adopted by the Board of Directors on March 23, 2018.