

Greater Sudbury Utilities Inc.
New Business Development Committee

Terms of Reference

Version 1.0

April 23, 2018

1. Purpose

The New Business and Development Committee (NBDC) is established by and accountable to the Board of Directors of the Corporation. It performs a critical role in providing oversight regarding new business ventures. The Committee assists the Board in fulfilling its oversight responsibilities in relation to the development of business opportunities in a manner compliant with legislative and regulatory guidelines pursuant to the *Green Energy & Economy Act*, and other relevant legislation.

2. Duties & Responsibilities of Committee Members

The Committee shall adopt an agenda of items for the year (Work Plan). The Committee will be primarily concerned with reviewing Management's strategy, along with its supporting actions plans, metrics, milestones, and resources so that new business ventures can be launched successfully and become a profitable and sustainable addition to the Corporation's business. The Committee does not deal with operational policy or ongoing administrative functions which are the responsibility of management

2.1. Strategy and Plans

The Committee has the responsibility to:

- 2.1.1. The Committee shall provide Management with guidance with respect to the type, nature and characteristics of new business lines that are appropriate for review.

- 2.1.2. Review plans and analysis related to new or expanded lines of business that may be proposed from time to time including any external or internal business case analysis of the proposed business opportunity.
- 2.1.3. Make recommendation to the Board with respect to favourable business opportunities. The Committee's recommendation will include budgeted costs and revenues and expected performance of the new or expanded business lines.
- 2.1.4. The committee shall determine an appropriate rate of return for new or expanded business lines. In so doing the Committee will consider the relative risk inherent in the new venture, other potential uses of capital resources and any other factor the committee may deem advisable.
- 2.1.5. Review performance of each new business, making appropriate recommendations to the Board.
- 2.1.6. Review regular progress reports from each new business against the approved business plan and review management recommendations of any changes to the new business approved business plan.
- 2.1.7. Review and evaluate management recommendations of new business opportunities.

2.2. Management and Human Resources

The Committee has the responsibility to:

- 2.2.1. Review Management's human resources plans and capabilities for alignment with business goals and strategies for new business ventures.

2.3. Governance

The Committee has the responsibility to:

- 2.3.1. Review regular progress reports from management on new business, prior to meetings of the Board and its Shareholder.
- 2.3.2. Review Management's recommendations on marketing plans and associated strategies and activities, leases obtained, and significant project milestones for each new business.
- 2.3.3. Review management's recommendations and actions with respect to segregation of the operations of any new business from the Greater Sudbury Hydro Inc.

2.4. Policies and Procedures

The Committee has the responsibility to:

- 2.4.1. Recommend to the Board a policy to foster business development and economic growth in the local telecommunications sector through the development of new competitive telecommunications services, facilities and locating new technology based businesses in the local community.
- 2.4.2. Recommend to the Board strategic new business policies and guidelines where applicable.
- 2.4.3. Review the Committee's Terms of Reference (this document) annually and report to the Board results of the review including any recommended changes to the Terms of Reference. The Board may at any time amend, rescind or cancel any of the provisions of the Terms of Reference, with or without substitution.

3. Method of Appointment of Committee Members

four. The Board of Directors will appoint or re-appoint the members of the Committee for a term of three years. The Board shall appoint a Chair and Vice Chair from amongst the appointed Committee members who will report directly to the Board on the deliberations of the Committee. In the event that the Chair of the Committee is absent, the Vice-Chair will preside at the meeting. The Chair and Vice Chair of the Board of Directors will be ex officio members of the Committee and shall be allowed to vote on any matters coming before this Committee. At any time, any member of the Committee may resign or may be removed by the Board. The Board shall promptly fill vacancies.

4. Composition of Committee Members

The Committee shall be composed of a minimum of three directors of the Corporation. The Corporation's President & CEO and the Executive Assistant to the President & CEO will attend as ex officio members. As an ex officio member, the President & CEO shall be allowed to sit with the Committee, but shall not be allowed to vote on any matter coming before the Committee. The Executive Assistant to the President & CEO shall be allowed to sit with the Committee, prepare the agenda and act as secretary of the Committee but shall not be allowed to vote on any matters coming before the Committee.

5. Requirements and Competencies of Committee Members

Committee members should support the best interests of the Corporation and be mindful of conflict of interest guidelines. Committee members should have membership attributes consistent with generally accepted standards including:

- **Financial Literacy:** All members are expected to have reasonable finance resource literacy, which is appropriate for understanding matters required of the Committee.
- **Business Expertise:** All members are expected to have a working understanding and knowledge of a competitive, commercial for profit business operation, including the areas of marketing and sales within a competitive environment.

6. Procedures and Frequency of Committee Meetings

The time and location of meetings of the Committee and the procedure to be followed at such meetings shall be determined from time to time by the members of the Committee provided that:

- 6.1. A quorum for a meeting shall be two members if the Committee consists of three or four members, and three members if the Committee consists of five members, in person or by telephone or other telecommunications device; but shall not include the ex officio members of Chair and Vice Chair of the Board.
- 6.2. The Committee shall meet as required and at least 24 hours notice will be given in advance of a meeting.
- 6.3. The Secretary of the Committee may call a meeting on the direction of the Chair of the Committee or the President & CEO. Alternatively, any Committee member may call a meeting. Notice of the meeting can be by letter, electronic mail, facsimile or telephone, giving a least 24 hours notice.

7. Duties of the President & CEO

The President & CEO of the Corporation will inform the Committee on a regular basis of any significant issues as they arise that may impact the ability of each new business to meet its approved business plans and budgets.

Activity	Q1	Q2	Q3	Q4	As Needed