

# Ontario Power Generation

## Generation Oversight Committee of the Board

### CHARTER

#### Purpose

The basic function and purpose of the Generation Oversight Committee is to assist the Board of Directors in fulfilling their responsibility for oversight of matters relating to:

1. safe, secure and efficient operations of OPG's generating facilities
2. generating facility compliance
3. external expert and/or independent oversight
4. generating facility major project approvals for execution.
5. generating asset divestitures, acquisitions and business development
6. assessment of Committee performance and Board policies.

#### Committee Responsibilities and Duties

The Committee shall perform the duties set out in this Charter and shall perform such other duties as may be necessary or appropriate under applicable law or as may be delegated to the Committee by the Board from time to time.

#### **1. Safe, secure and efficient operations of OPG's generating facilities**

In carrying out its responsibilities for oversight of the safe, secure and efficient operations of OPG's generating facilities, the Committee reviews:

- a) regular reports of OPG nuclear, renewables, thermal and public safety performance in accordance with the Board's Nuclear Safety Policy and the Safe Operations Policy; and periodically visit OPG generating facilities to meet with staff.
- b) quarterly reports on the cost-effective and efficiency performance of OPG's generating facilities (as well as joint venture generating facilities), e.g. nuclear and dam safety, production and other appropriate operating objectives and targets (such as nuclear waste, security, industrial/occupational health and safety, environment, outage management, etc.), any significant changes in operational risks or significant emerging operational risks, and contribution to the company's overall performance.

#### **2. Generating facility compliance**

In carrying out its responsibilities for oversight of OPG's generating facility compliance, the Committee reviews:

- a) OPG's compliance with nuclear safety, industrial and occupational health and safety and environmental laws and regulations.
- b) results of periodic reviews by OPG's Internal Audit and Nuclear Oversight functions, and Management's response.

### **3. External Experts and/or Independent Oversight**

In carrying out its responsibilities for oversight of external experts and/or independent oversight, the Committee reviews:

- a) results and findings of internal and external assessments by regulators and external experts and/or independent oversight organizations, including proposed remediation plans and programs.
- b) a forward plan for the scope and frequency of independent external assessments.
- c) in conjunction with the full Board as appropriate, periodic meetings with regulators (e.g. CNSC), external experts (e.g. Dam and Public Safety Expert Panel) and/or independent oversight organizations (e.g. Nuclear Safety Review Board, World Association of Nuclear Operators).

### **4. Generating facility major project execution**

The Committee reviews and makes recommendations to the Board with respect to:

- a) approval to proceed with initial phases and the execution of threshold generation projects (>\$100M) and related facilities and services, but excluding Darlington and Pickering Refurbishments, and the Darlington New Nuclear Project, in excess of the CEO limit as stated in OPG's Organizational Authority Register.

For threshold projects approved by the Board that are greater than \$500M (Major Projects), oversight of the project, including approval for material changes to scope, budget and schedule of the project as may be sought from the Board as required, shall be provided and initiated, respectively, by the Major Projects Committee.

### **5. Generation asset divestitures, acquisitions and business development**

The Committee reviews and makes recommendations to the Board with respect to:

- a) approval to proceed with potential divestitures, acquisitions and major investments in generating assets, including material impacts on OPG generating fleet safety, reliability and performance.
- b) approval to proceed with business development opportunities that leverage OPG's generating skills and assets on its own or in partnership as appropriate, including through relationships with Indigenous communities, all being relative to the CEO limit as stated in OPG's Organizational Authority Register.

Once any of (b) above has been approved by the Board, oversight of same, including approval for material changes to scope, budget and schedule as may be sought from the Board as required, shall likely be provided and initiated by the Major Projects Committee. In respect of (a), if as part of an acquisition there is a major construction project, the Major Projects Committee will oversee the construction.

## **6. Annual assessment of committee performance and Board policies**

In carrying out its responsibilities for annual assessment of committee performance and board policies, the Committee shall:

- a) Review and assess its performance, including a review of its compliance with this Charter, in accordance with the evaluation process approved by the Board. The Committee shall also assess the adequacy of this Charter taking into account all legislative and regulatory requirements applicable to the Committee as well as any best practice guidelines recommended by regulators with whom OPG has a reporting relationship.
- b) Provide oversight for the implementation of the following Board of Directors' policies, reviewing these policies to ensure their continuing adequacy and the development of any new Board policy the Committee may feel is required to fulfill the roles and responsibilities of the Committee:
  - i. Nuclear Safety Policy
  - ii. Safe Operations Policy
  - iii. Environmental Policy
  - iv. Health & Safety Policy
  - v. Indigenous Relations Policy

### **Organization**

#### **Members**

The Committee shall consist of three or more Directors as determined by the Board. The majority of members of the Committee shall be independent, as defined by the Ontario Securities Commission, and not "affiliated" with OPG.

The Board shall appoint the members of the Committee and the Chair of the Committee annually. The Board may appoint a member to fill a vacancy which occurs in the Committee between annual elections of Directors. Any member of the Committee may be removed or replaced at any time by the Board.

If a member of the Committee becomes "affiliated" with OPG, the member may continue as a member of the Committee with the approval of the Board Chair, in consultation with the Corporate Secretary.

The OPG Board Chair and OPG President and CEO will attend all meetings of the Committee.

#### **Meetings**

The Committee shall meet as frequently as it determines necessary but not less than four times a year.

Notice of the time and place of each meeting of the Committee must be given to each member of the Committee not less than 48 hours before the time of the meeting. If less than 48 hours notice is given, a waiver of notice requirements will be received from all members.

A quorum of the Committee shall be a majority of its members. The powers of the Committee may be exercised at a meeting at which a quorum of the Committee is present in person or by telephone or other electronic means or by a resolution signed by all members entitled to vote on that resolution at a meeting of the Committee. Each member is entitled to one vote in Committee proceedings.

The Committee Chair shall preside at all meetings of the Committee at which he or she is present (or if not able to be present designate another member of the Committee to chair the meeting) and shall develop the agenda for each Committee meeting. The agenda for each meeting of the Committee shall be delivered to each member of the Committee at least 48 hours prior to any meeting of the Committee, together with such other materials as the Chair determines necessary.

Minutes shall be kept of all meetings of the Committee and shall be maintained by OPG's Corporate Secretary.

The Committee may meet in camera (without management present) at any time during the meeting consistent with the OPG Board guideline on the conduct of in camera sessions and the keeping of minutes from in camera sessions.

The Committee may invite any Director, officer or employee of OPG or OPG's counsel or any other person to attend meetings of the Committee to assist in the discussion and examination of the matters under consideration by the Committee.

#### Reports

The Committee will report its activities and actions to the Board of Directors with recommendations for approval, as the Committee deems appropriate.

#### Authority

##### Delegation of Authority

The Committee may not delegate its oversight responsibilities. The Committee may delegate to a sub-committee, the Chief Executive Officer or any employee of OPG the authority to exercise any right, power or responsibility that the Committee may have on such terms and conditions and within such limits as the Committee deems appropriate provided that the sub-committee, Chief Executive Officer or employee subsequently advises the Committee of any right, power or responsibility so exercised.

##### Access to Management and Outside Advisors

The Committee shall have full, free and unrestricted access to Management, employees and relevant information.

The Committee has the sole authority to retain legal counsel, consultants or other advisors, with respect to any issue or to assist in fulfilling its responsibilities and OPG shall provide appropriate funding, as determined by the Committee, for any such advisors.

*Effective: February 11, 2016*

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*Last Reviewed: November 12, 2024*