



Revised November 2020

## GOVERNANCE AND CORPORATE RESPONSIBILITY COMMITTEE CHARTER

### I. PURPOSES

The primary purposes and responsibilities of the Governance and Corporate Responsibility Committee (“Governance Committee” or the “Committee”) of the Board of Directors (“Board”) of Avista Corporation (the “Company”) is to: (i) identify and recommend for nomination individuals qualified to be Board members for election by stockholders at each annual meeting of stockholders and to fill vacancies on the Board, (ii) recommend the appointment of directors to Board committees, (iii) develop, recommend, and periodically review Corporate Governance Guidelines for the Board and oversee corporate governance matters, (iv) review and approve, if appropriate, related party transactions, (v) annually evaluate the Board and Board Committees’ performance, (vi) review and make recommendations with respect to director compensation; and (vii) oversee strategy and disclosure of corporate responsibility matters, which include environmental, social and governance issues.

### II. COMPOSITION

**Membership:** The Committee shall be comprised of three or more directors as determined by the Board. The Chair of the Committee shall be the Lead Director. If there is no Lead Director, the Chair shall be appointed by the Board.”

**Appointment:** Members of the Committee shall be appointed to, and removed from, the Committee by the Board. At the invitation of the Committee, the Chief Executive Officer may serve in an advisory capacity to the Committee, but will not have voting rights.

**Independence:** All Committee members shall meet the independence requirements for nominating/corporate governance committees set out in the listing standards for the New York Stock Exchange (the “NYSE”) as they may be amended from time to time.

### III. MEETINGS

The Committee shall meet at least four times annually and at such other times as the Chairman of the Committee shall determine. The Committee may meet by telephone or video conference and may take action by unanimous written consent.

#### **IV. RESPONSIBILITIES AND DUTIES**

The Governance Committee is charged by the Board with the responsibility to:

##### **Board Structure/Effectiveness**

1. At least annually, review and make recommendations, if any, regarding Board composition, Board organizational structure (including committees), practices of the Board, desired qualifications of directors and committee members, Board size, the types, responsibilities, and size of Board committees, director retirement policy, director retention, and director term limits (if any).
2. Make recommendations to the Board on committee membership and the chair of each committee.
3. Develop/update Board guidelines and procedures to be used in evaluating Board effectiveness.
4. Serve as a forum for ideas and suggestions to help ensure effectiveness of corporate governance. Make recommendations to the full Board as appropriate.
5. Annually, review Board committee charters, including this charter, to ensure that responsibilities are appropriately reflected and that there is no duplication. Consult with committees, as appropriate. Review any changes to committee charters received from the respective committees. Recommend any revisions to charters of the committees.

##### **Director Nominations/Recruitment/Retention**

6. No less frequently than annually, assess, develop and communicate with the full Board concerning the appropriate criteria, for nominating and appointing directors to better prepare the Board to identify corporate needs as director retirements/vacancies occur and as the needs of the business change in order to bring the desired knowledge, experience, skills, expertise and diversity to the Board.
7. Consult with directors whose terms are expiring in connection with an Annual Meeting of Shareholders to affirm their continued interest and/or availability to serve as a director.
8. Review the qualifications, skills, experience, and expertise of incumbent directors and consider their performance in determining whether to recommend such directors for re-election to the Board.
9. Present recommendations for director nominees to the full Board for approval.
10. If advisable, recommend to the full Board removal of a director.

11. Evaluate any potential conflicts of incumbent or prospective Board members (e.g., interlocking directorships, business relationships).
12. Report to the Board the results of the Annual Director Questionnaire on conflicts of interest and independence.
13. Approve all related party transactions in accordance with the Related Party Transaction Policy and report to the Board any related party transactions that require disclosure in the Company's 10-K or proxy.
14. Develop a list of potential director candidates for consideration in the event of a vacancy on the Board and update the list as appropriate. Seek out possible candidates and otherwise aid in attracting highly qualified candidates as directors.
15. Review the qualifications, skills, experience, and expertise of director nominees and review any nominees proposed by shareholders in accordance with the provisions set forth in the Bylaws. Interview any director nominees and recommend to the Board such nominees for appointment or election at the next Annual Shareholders Meeting.

#### **Director Compensation**

16. Review directors' compensation annually and recommend to the full Board the amount and form of annual retainer (cash and/or stock), meeting fees, equity awards, and any other compensation or benefits to be paid to directors. Periodically review compensation of directors of subsidiaries.
17. Review and recommend stock holding guidelines for directors.

#### **Corporate Responsibility**

18. Evaluate overall corporate responsibility strategy and disclosure to ensure alignment with the Company's strategic priorities and make recommendations as appropriate.
19. Review the Company's community support activities and local economic development efforts.
20. At least annually, review oversight structure of ESG risks to ensure appropriate allocation to Board Committees and make recommendations as appropriate.
21. As part of its annual review of Board governance practices and procedures, consider current best practices for ethical governance, and make recommendations as appropriate.

**Other**

22. Review the Company's corporate governance guidelines and recommend to the Board such changes as may be appropriate. Monitor compliance with and the effectiveness of the Corporate Governance Guidelines.
23. Develop and oversee the Company's orientation program and continuing education for members of the Board.
24. Oversee compliance with the Securities and Exchange Commission and NYSE Corporate Governance rules and the Company's insider trading rules.
25. Review the Risk Oversight responsibilities of the Board and Committees.
26. Recommend guidelines to help ensure an appropriate level of oversight as it relates to subsidiaries. Recommend Company Board representatives to serve on the Boards of Directors of significant Company subsidiaries.
27. Annually, perform a self-assessment relative to the Committee's purpose, duties and responsibilities outlined herein.
28. Oversee the process of the Board's self-evaluation, including, but not limited to, review of the adequacy of information provided to directors on an ongoing basis and in conjunction with Board meetings, as well as the adequacy of the number of Board and Committee meetings.
29. Review with Company counsel legal compliance matters regarding corporate governance and securities trading policies.
30. Undertake such additional activities within the scope of its primary functions as the Committee may determine from time to time.
31. The Committee shall report its actions and any recommendations to the Board after each committee meeting.

**V. AUTHORITY**

The Committee has the sole authority to engage internal and/or external advisors, including search firms used to identify director candidates, to provide information, analysis, and consultation to assist the Committee in carrying out its duties. The Committee will have the sole authority to approve such advisor's fees and other retention terms.