



***NORTH  
AMERICAN***  
***CONSTRUCTION GROUP***

***GOVERNANCE POLICY  
AND BOARD MANDATE***

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# GOVERNANCE POLICY AND BOARD MANDATE

## 1. Introduction

The Board is responsible for overseeing the management of the Corporation by establishing key policies and standards, including policies for the assessment and management of the Corporation's principal risks, for reviewing and approving the Corporation's strategic plans and for hiring the CEO. The Board is committed to following corporate governance practices that help ensure the Board serves the best interests of the Corporation in discharging those responsibilities. This Policy sets out the framework for those corporate governance practices.

## 2. Objectives

The objectives of this Policy are to:

- (a) establish a framework to assist the Board in achieving good corporate governance in all aspects of the Corporation's business; and
- (b) outline and comply with the governance requirements of applicable regulators and stock exchanges.

## 3. Definitions

In this Policy:

- (a) "**Board**" means the board of directors of the Corporation;
- (b) "**CEO**" means the Chief Executive Officer of the Corporation;
- (c) "**Chair**" or "**Board Chair**" means the chair of the Board;
- (d) "**Committee**" means any committee of directors established by the Board for the purpose of carrying out certain delegated functions of the Board;
- (e) "**Committee Chair**" means the chair of any Committee;
- (f) "**Corporation**" means North American Construction Group Ltd.;
- (g) "**Executive Officer**" means the CEO, President, Chief Operating Officer, Chief Financial Officer, Chief Legal Officer and Chief Human Resources Officer; and
- (h) "**Lead Director**" means the lead director appointed under Section 5.5, if applicable.

## 4. Scope

This Policy applies to all activities of the Board.

## 5. Policy

### 5.1 Directors

The Board has determined that it will be comprised of at least 6 directors in order to fill all of the Committees required for an effective governance structure and to meet the regulatory requirements of applicable stock exchanges. The Board has also determined that there will be no more than 10 directors in order to encourage lively, informed discussion and facilitate decision-making while managing the costs of operating the Board.

Directors are expected to use their skill and experience to provide oversight to the business of the Corporation. Directors are expected to attend meetings and to be prepared to participate actively and knowledgeably. A full description of the responsibilities of each director is set out in Appendix A.

### 5.2 Chair

The Board will elect a Chair who shall remain as the Chair until such time as he or she retires or until an alternate Chair is selected. The position description for the Chair is set out in Appendix B.

### 5.3 Committees

In order to ensure effective management of the workload and concurrently meet the regulatory requirements of applicable stock exchanges the Board will delegate certain of its responsibilities to the following Committees:

- (a) Audit Committee
- (b) Governance and Sustainability Committee
- (c) Human Resources and Compensation Committee
- (d) Operations Committee

The Board will appoint a Committee Chair for each Committee from among the members of the Committee. The position description for Committee Chairs is set out in Appendix C.

Each Committee will prepare a charter to describe its responsibilities and will annually review its charter to ensure it is current. Each Committee charter, and any amendments, will be reviewed and approved by the Governance and Sustainability Committee and the Board and publicly disclosed on the Corporation's website once approved.

Each Committee will perform an assessment of its effectiveness each year based on the guidelines set by the Governance and Sustainability Committee and will report the findings of that annual review to the Board.

### 5.4 Board and Committee Composition

The Board will periodically review Board and Committee composition, consider and approve the nomination of directors recommended by the Governance and Sustainability Committee, fill vacancies among the directors, appoint additional directors and appoint directors to Committees. Committee appointments will be made with the objective of utilizing particular expertise while recognizing and balancing the need for renewal of ideas and continuity of knowledge and leadership.

### 5.5 Director Qualifications and Diversity Criteria

In addition to having a Board comprised of highly experienced and skilled individuals, having a diversity of perspectives and viewpoints among its members is a significant benefit to corporate governance. To this end, the Board will, when identifying and selecting candidates for appointment or election to the Board, consider:

- (a) what competencies, qualifications, skills, knowledge, experience and expertise the Board, as a whole, should possess;
- (b) the competencies, qualifications, skills, knowledge, experience and expertise of existing Board members;
- (c) the competencies, qualifications, skills, knowledge, experience and expertise of potential candidates and the way in which the same would complement that of existing Board members;
- (d) whether a potential candidate can devote sufficient time and resources to his or her duties as a board member; and
- (e) the diversity criteria set out in the Board and Senior Management Diversity Policy.

Diversity of perspectives and viewpoints at the executive level is equally as important as at the Board level and, accordingly, the Board will also consider the diversity criteria set out in the Board and Senior Management Diversity Policy when identifying and selecting candidates for appointment to Executive Officer positions.

### 5.6 Independence

The Board will be comprised of a majority of independent directors. Each member of the Audit Committee, the Governance and Sustainability Committee and the Human Resources and Compensation Committee must be an independent director. The majority of members of the Operations Committee must be independent.

The Board has determined that an independent director is a director who is not a member of management and who does not have a relationship with the Corporation or with management that may affect or be perceived to affect, the director's ability to act in the best interests of the Corporation. A director is not independent if he or she does not satisfy the independence requirements contained in any applicable securities legislation or regulation or in the rules or policies of any applicable regulator or stock exchange on which the Corporation's securities are listed for trading. The Board may adopt other categorical standards for determining whether a director is independent and will review the independence of each of the non-management directors annually.

The CEO of the Corporation may serve as a director of the Corporation and if appointed by the Board, will be the only management director. The CEO may not, however, serve as Chair.

In the event the Chair is considered non-independent for any reason, the Board will appoint an independent director (the "Lead Director") to act as the effective leader of the Board, to ensure that the Board's agenda will enable the Board to successfully carry out its duties and to facilitate the Board's exercise of independent judgment in carrying out its duties. The position description for the Lead Director is set out in Appendix D.

The Board has adopted a policy of meeting *in camera*, with only independent directors present, at each regularly scheduled Board meeting. *In camera* sessions are of no fixed duration and participating directors are encouraged to raise and discuss any issues of concern.

Directors are expected to speak and act independently, respecting differing views held by other directors and management.

### 5.7 Majority Voting

Election of directors at any meeting of the shareholders of the Corporation where directors are to be elected will take place in accordance with all applicable regulatory and exchange requirements, including the majority voting requirements set out in the *Canada Business Corporations Act* and the regulations thereunder (collectively, the "CBCA"), and for any such meeting the following majority voting provisions shall apply:

- A separate vote of shareholders shall be taken with respect to each candidate nominated for director.
- Shareholders shall be entitled to vote "for" or "against" each candidate nominated for director.
- Each candidate nominated for director shall be elected only if the number of votes cast "for" that person represents a majority of the votes collectively

cast “for” and “against” that person by the shareholders who are present in person or represented by proxy.

The Chair will ensure that the number of shares voted “for” and “against” each nominee is recorded and promptly made public after the meeting by way of press release.

In the event a candidate nominated for director is not elected, subject to any restrictions or requirements contained in applicable corporate law or in the Corporation’s constating documents, the Board may, in its discretion: (a) leave any resulting vacancy on the board unfilled until the next annual meeting; (b) fill the vacancy by appointing a replacement director whom the Board considers merits the confidence of the shareholders; or (c) call a special meeting of shareholders to consider a new nominee to fill the vacant position.

An incumbent director who was a candidate in an election of directors and was not elected will continue as a director until the earlier of: (a) that director’s resignation; (b) the ninetieth (90<sup>th</sup>) calendar day after the day of the election; or (c) the day upon which that director’s successor is appointed or elected. Such director is not eligible to be appointed by the Board, however, unless such appointment:

- is required in order to satisfy the CBCA’s Canadian residency requirement; or
- is required to satisfy the CBCA’s requirement that at least two directors of a distributing corporation not also be officers or employees of the corporation or its affiliates.

In the event of any conflict between the above and the CBCA or any other regulatory or exchange requirements, the provisions of the CBCA or the applicable regulatory or exchange requirements shall govern, as the case may be.

### 5.8 Interlocks

An interlock occurs when two or more directors of the Corporation are members on the same board of directors of another public company. No more than two directors may sit on the same public company board without the prior consent of the Board. In considering whether or not to permit more than two directors to serve on the same board, the Board must take into account all relevant considerations including, in particular, the total number of Board interlocks at that time. Also, none of the members of the Audit Committee may serve on more than three public company audit committees without Board approval.

### 5.9 Strategic Planning

Management is responsible for the development of the Corporation’s strategic direction and plan. It is the role of the Board to review, question, contribute and

approve the strategic plan of the Corporation and to oversee its execution. The Board will review, discuss and approve the Corporations' strategic plan on an annual basis as well as receiving periodic updates from the CEO on progress.

### 5.10 Oversight of Risks

The Board in discharging its oversight responsibilities, must satisfy itself that the risk management policies and procedures designed and implemented by the Corporation's senior management are consistent with the Corporation's strategy and risk appetite. The Board must insist on the implementation of appropriate systems to manage the Corporation's principal risks, including the implementation of appropriate internal controls and management information systems. The Board must also foster an enterprise-wide culture that supports appropriate risk awareness, behaviors and judgments, as well as one that recognizes and addresses risk-taking beyond the Corporation's determined risk appetite.

### 5.11 Ethics and Conflicts of Interest

The Board is responsible for fostering a culture of integrity within the Corporation and in fulfilling that responsibility will:

- (a) satisfy itself as to the integrity of the Executive Officers and that the Executive Officers create a culture of integrity throughout the organization;
- (b) approve and adopt a Code of Conduct and Ethics Policy applicable to directors, officers and employees of the Corporation and periodically review the same to ensure conformance with evolving best practices for corporate governance;
- (c) monitor compliance with the Code of Conduct and Ethics Policy, address and respond to any material departures from the same by any director or Executive Officer that come to the attention of the Board, consider any request for a waiver from the provisions of the same for the benefit of any director or Executive Officer and grant any such waiver if determined by the Board to be appropriate and in the best interests of the Corporation; and
- (d) promote that in conducting their own business, directors should not place themselves in a position of conflict with the Corporation.

A director has a conflict if he or she is:

- (a) a party to a material contract or transaction or proposed material contract or transaction with the Corporation;
- (b) a director or officer of any entity which is a party to a material contract or transaction or proposed material contract or transaction with the Corporation; or

- (c) a person who has a material interest in any entity which is a party to a material contract or transaction or proposed material contract or transaction with the Corporation.

Immediately upon becoming aware of an actual or potential conflict of interest a director shall inform the Chair as well as the Lead Director if a Lead Director has been appointed. The director shall also advise the CEO and the corporate secretary of the conflict.

Because it may be impractical for a director who serves as a director or officer of another entity or who has a material interest in another entity to know that the entity is entering into a material contract or transaction with the Corporation (and therefore to give notice of every such material contract or transaction), it is sufficient for the director to deliver a general notice to the Board declaring that he or she is a director or officer or has a material interest in an entity and is to be regarded as interested in any material contract or transaction made with that entity. To minimize the possibility of a conflict of interest not being identified, directors will provide to the Corporation and update annually, a list of all shares and options held in the Corporation and all other director positions held in other organizations. Any director owning more than 10% of the outstanding shares of any company or other organization should disclose this ownership to the Corporation's corporate Secretary.

### 5.12 Director Compensation

The Board will compensate directors in a form and amount that is fair and appropriate for the services they perform and which is customary for comparable companies, having regard to such matters as time commitment, responsibility and trends in director compensation.

The Board, based upon recommendations of the Compensation Committee, will periodically review the adequacy and form of directors' compensation, including compensation of the Chair, the Lead Director and the Committee Chairs, to ensure that it is competitive and realistically reflects the responsibilities and risks involved in being a director.

To more closely align the interests of directors and the Corporation's shareholders, a portion of the directors' fees may be paid in the form of equity, which may be in the form of deferred share units or other stock-based compensation. In addition, directors are encouraged to hold shares of the Corporation for their own accounts.

A management director will not receive additional compensation for Board service.



5.13 Shareholding Guidelines

The following officers and directors are required to hold the following shares or share equivalent units:

- (a) CEO – Five (5) times annual base salary;
- (b) Executive Officers other than CEO – Three (3) times annual base salary;
- (c) Vice-Presidents – One (1) time annual base salary; and
- (d) Directors – Three (3) times fixed annual retainer, including any lead director retainer but excluding committee chair retainers.

The following requirements shall apply to such holdings:

- (a) the holding requirement shall be a set dollar figure, to be achieved within 5 years of the date such person becomes an officer or director within one of the above categories;
- (b) the value of shares or share equivalent units held at any given time shall be determined as the greater of market or book value of those holdings;
- (c) shares owned for purposes of measuring compliance include actual shares owned (including shares beneficially owned or owned by a spouse) plus share equivalent units (such as DSUs and RSUs, but not including PSUs);
- (d) where a person holds more than one of the positions set out above, the higher applicable ownership requirement shall apply;
- (e) Board members who have not met the holding requirement must take at least 60% of their retainer in DSUs or until such time as the holding requirement is met; and
- (f) As long as a Board member meets the holding requirement, there is no obligation to take any further retainer as DSUs, though the Board member may elect to do so (provided that the DSU election may only be changed once per year as per the DSU policy).

5.14 Orientation and Education for Directors

The Board, in conjunction with management, will provide an orientation program for new directors. The Board will ensure that all new directors understand the role of the Board and its Committees. Each director will be provided with a copy of all of the corporate governance policies and charters. Management will conduct orientation sessions with new directors to review the Corporation's business, issues, risks and opportunities. New directors will also be given the opportunity to tour various operating facilities of the Corporation.

The Board, in conjunction with management, will provide continuing education opportunities for all directors so that individuals may maintain or enhance their skills and abilities as directors on an ongoing basis. Management will provide directors with opportunities to increase their knowledge and understanding of the Corporation's business and to ensure their understanding of the Corporation's business remains current.

### 5.15 Executive Team

The Board, at the recommendation of the Human Resources and Compensation Committee, will appoint the Executive Officers of the Corporation and will monitor their performance against a set of mutually agreed corporate objectives directed at maximizing shareholder value. The Board, at the recommendation of the Human Resources and Compensation Committee, will ensure that Executive Officers receive training and education as determined by the Board to be appropriate to ensure their ongoing professional development and improvement.

The Board expects management succession planning to be an ongoing activity to be reviewed and approved by the Board. This planning process will include, on a continuing basis, the CEO's recommendation of a successor in the event of an unexpected incapacitation of the CEO.

### 5.16 Access to Advisors

The Board and each Committee will have access to independent legal, accounting, financial and other advisors as each deems necessary or appropriate to assist the Board or Committee in the conduct of its respective duties. The engagement of such advisors will be at the expense of the Corporation.

Any individual director who wishes to engage a non-management advisor at the expense of the Corporation to assist on matters involving his or her responsibilities as a director must review the request with, and obtain the authorization of, the Chair. Authorization of the Lead Director must also be obtained where a Lead Director has been appointed.

### 5.17 Term Limits

As set out in the by-laws, the election of directors will take place at each annual meeting of shareholders where the terms of all directors then in office shall be deemed to end. If qualified, however, each shall be eligible for re-election. The Board has determined that fixed term limits for directors should not be established. The Board is of the view that such a policy would have the effect of forcing directors off the Board who have developed, over a period of service, considerable insight into the Corporation and who, therefore, can be expected to provide an increasing contribution to the Board. At the same time, the Board recognizes the value of some turnover in Board membership to provide ongoing input of fresh ideas and reviews annually the composition of the Board in light of its strategic direction.

5.18 Evaluation

The Board is responsible for ensuring the continued effectiveness of the Board, its Committees and the individual directors and to foster a process of continuing improvement. Each director will periodically participate in a Board and Committee effectiveness assessment as well as an individual assessment by the director's peers. Board and Committee assessments will consider, among other things, the effectiveness of the Board or Committee in achieving its mandate as set out in this Policy or the relevant Committee charter, as applicable. Individual peer assessments will consider, among other things, the competencies and skills the individual director is expected to bring to the Board, the director responsibilities set out in Appendix A and the applicable position descriptions for any director serving as Board Chair, Lead Director or the chair of any Committee. The Governance and Sustainability Committee is responsible for establishing the process for Board, Committee and individual director assessments.

<p><b>Prepared By:</b></p> <p>/s/ Jordan Slator</p> <p>Jordan Slator Chief Legal Officer</p>	<p><b>Approved By:</b></p> <p>/s/ Martin Ferron</p> <p>Martin Ferron Chairman of the Board</p>	<p><b>Date Approved / Issued:</b></p> <p>November 11, 2024</p>
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### APPENDIX A – Responsibilities of Directors

Directors are expected to:

- Understand and fulfill the legal requirements and fiduciary and other obligations of a director.
- Act honestly and in good faith with a view to the best interests of the Corporation.
- Exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
- Participate, as necessary, in the review and approval of Corporation policies and strategies and in monitoring their implementation.
- Exercise their directors' powers for the purposes for which they are intended.
- Comply with the Corporation's Code of Conduct and Ethics Policy.
- Disclose to the Board when their personal interests and their duty to the Corporation are brought into conflict.
- Use their abilities, experience and influence constructively.
- Respect the confidentiality of fellow Board members and of the Corporation.
- Understand the difference between governing and managing and not encroach on management's mandate and areas of responsibility.
- Participate, as requested by the Board, on Board Committees. The Board will endeavour to limit a director's participation to two Committees in order to enable the director to give proper attention to each Committee, as well as to the Board. Committee members are expected to become knowledgeable about the purpose and goals of the relevant Committees, as well as the process of Committee work and the role of management, staff and outside advisors supporting the Board's Committees.
- When appropriate, communicate with the Board Chair and the CEO between meetings and be responsive when an officer of the Corporation or member of the Board desires to communicate between meetings.
- Prepare for Board and Committee meetings in advance.
- Attend all regular scheduled Board and Committee meetings in person or by other electronic means. A director will notify the Board Chair or the CEO if he or she will not be able to attend or participate in a meeting.

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- Become sufficiently knowledgeable about the Corporation's business, services, principal regulators and industry.
- Develop an understanding of the role of the Corporation in the communities in which it operates.
- Maintain an understanding of the legislative, business, social and political environments within which the Corporation operates.
- Maintain an understanding of the strategic planning process and principal risks of the Corporation.
- Remain knowledgeable about the executive management structure and overall management of the Corporation.
- Keep abreast of corporate governance developments and emerging best practices in corporate governance.
- Take part in a periodic performance review of the Board as a whole and of any Committee to which he or she is a member in an honest and positive manner in order to contribute to continuous improvement in relation to the functioning of the Board and the Committees.

**Appendix B: Board Chair – Position Description**

**1 Introduction**

- 1.1 This position description is intended to identify the specific responsibilities of the Board Chair of the Corporation and to enhance coordination and communication between the Committee Chairs, the Board Chair, the Lead Director, the Board and the CEO.
- 1.2 The Board Chair shall be appointed by the Board and will hold office until such time as he or she resigns or is replaced by a majority vote of the Board.
- 1.3 The prime responsibility of the Board Chair is to provide leadership to the Board in matters relating to the effective execution of all Board responsibilities.
- 1.4 The Board Chair's performance will be measured against the effectiveness with which the Board functions, including satisfaction of Board members regarding the functioning of the Board.
- 1.5 The responsibilities of the Board Chair are to be carried out consistently with the principles stated in the Corporation's Code of Conduct and Ethics Policy.
- 1.6 The responsibilities of the Board Chair are to be carried out in conjunction and cooperation with the Lead Director when a Lead Director has been appointed. In any case where the Lead Director has a specific responsibility that overlaps or conflicts with the responsibilities of the Board Chair, the Board Chair's responsibilities are to be interpreted as being subject to the concurrence of the Lead Director.

**2 Board Leadership**

The Board Chair has the responsibility to:

- 2.1 Provide leadership in ensuring that the Board works harmoniously as a cohesive team.
- 2.2 Facilitate the Board functioning independently of management by ensuring that independent directors meet regularly without management or other non-independent directors present as well as by engaging outside advisors as required.
- 2.3 Provide guidance to the Board and management to ensure that the responsibilities of the Board are well understood by both the Board and management and that the boundaries between Board and management responsibilities are clearly understood and respected.

- 2.4 Attend Committee meetings and communicate with directors between meetings, as required.
- 2.5 Establish procedures to govern the Board's work including:
- working with the CEO and Corporate Secretary to schedule meetings of the Board and its Committees;
  - developing the agenda for Board meetings with input from other directors and management;
  - working with the CEO and Corporate Secretary to ensure that proper and timely information is delivered to the Board;
  - working with the CEO to ensure that the conduct of Board meetings provides adequate time for serious discussion of relevant issues;
  - chairing all meetings of the Board, to the fullest extent possible;
  - encouraging full participation, stimulating debate, facilitating consensus and ensuring clarity regarding decision-making;
  - in conjunction with the Lead Director if applicable, ensuring that independent directors have the opportunity to meet *in camera* at each meeting of the Board;
  - ensuring that any decisions arising from in-camera sessions are conveyed to the Secretary to be included in the minutes of the meeting;
  - ensuring that the Board has appropriate administrative support; and
  - addressing complaints, questions and concerns regarding Board matters, including consideration and approval of a director's request to engage a non-management advisor at the Corporation's expense.

### 3 Board Development

The Board Chair has the responsibility to:

- 3.1 Assist the Governance and Sustainability Committee in implementing the Board assessment process and lead the Board in discussing the results.
- 3.2 Lead in continuous improvement of Board processes and provide directors with opportunities to increase their knowledge and understanding of the Corporation's business.

- 3.3 Upon recommendation of the Governance and Sustainability Committee, and in conjunction with the Lead Director if applicable, approach new candidates to serve on the Board.

#### **4 Working with Management**

The Board Chair has the responsibility to:

- 4.1 Represent shareholders and the Board to management and represent management to the Board and shareholders.
- 4.2 Work with the Board and the CEO to ensure that the Corporation is building a healthy governance culture.
- 4.3 Assist in effective communication between the Board and management, including follow-up of major items required by management or the Board.
- 4.4 Communicate openly and effectively with the CEO regarding strategy, corporate risks, governance, overall performance of the Corporation and feedback from directors.
- 4.5 Maintain regular contact with the CEO to keep well informed on the major affairs and operations of the Corporation.
- 4.6 Assist the Compensation Committee in monitoring and evaluating the performance of the Executive Officers and ensuring succession plans are in place at the senior management level.
- 4.7 Serve as advisor to the CEO and other Executive Officers.

#### **5 Shareholder Relations**

The Board Chair has the responsibility to:

- 5.1 Chair annual and special meetings of the shareholders.
- 5.2 Receive concerns addressed to the Board from stakeholders about the Corporation's corporate governance, business conduct and ethics or financial practices. The Board Chair will inform and consult with management to determine an appropriate response.



**Appendix C: Committee Chair – Position Description**

**1 Introduction**

- 1.1 This position description is intended to identify the specific responsibilities of each Committee Chair of the Corporation and to enhance coordination and communication between the Committee Chairs, the Board Chair, the Lead Director, the Board and the CEO.
- 1.2 Each Committee Chair shall be an independent director and shall be appointed by the Board. Each Committee Chair will hold office until such time as he or she resigns or is replaced by a majority vote of the Board.
- 1.3 The prime responsibility of each Committee Chair is to provide leadership in matters relating to the effective execution of all Committee responsibilities.
- 1.4 Each Committee Chair's performance will be measured based on the satisfaction of Committee members and of the Board regarding the functioning of the Committee.
- 1.5 The responsibilities of each Committee Chair are to be carried out in a manner consistent with the principles stated in the Corporation's Code of Conduct and Ethics Policy.

**2 Role and Responsibilities**

Each Committee Chair has the responsibility to:

- 2.1 provide leadership in ensuring that the Committee works harmoniously as a cohesive team;
- 2.2 facilitate the Committee functioning independently of management by meeting regularly without management and engaging outside advisors as required;
- 2.3 communicate with Committee members between meetings as required;
- 2.4 facilitate information sharing with other Committees, as required, to address matters of mutual interest or concern;
- 2.5 lead in continuous improvement of Committee processes and provide Committee members with opportunities to increase their knowledge and understanding of the Corporation's business;
- 2.6 assist in effective communication between the Committee and management, including follow-up of major items required by management, the Board or by the Committee;

- 2.7 establish procedures to govern the Committee's work including:
- work with the CEO and Secretary to schedule meetings of the Committee;
  - develop the agenda for Committee meetings with input from the Board Chair, other Committee members and management;
  - work with the Board Chair, CEO and Corporate Secretary to ensure that proper and timely information is delivered to the Committee;
  - work with the Board Chair and CEO to ensure that the conduct of Committee meetings provides adequate time for proper discussion of relevant issues;
  - chair all meetings of the Committee;
  - encourage full participation, stimulating debate, facilitating consensus and ensuring clarity regarding decision-making;
  - report regularly to the Board on the activities of the Committee, including the results of meetings and reviews undertaken and any associated recommendations;
  - brief the Board Chair and the Lead Director, if one has been appointed, regularly on the key issues facing the Committee;
  - work with the Corporate Secretary to obtain appropriate administrative support for the Committee; and
  - address complaints, questions and concerns regarding Committee matters.

**Appendix D: Lead Director – Position Description**

**1 Introduction**

- 1.1 This position description is intended to identify the specific responsibilities of the Lead Director of the Corporation and to enhance coordination and communication between the Committee Chairs, the Board Chair, the Lead Director, the Board and the CEO.
- 1.2 The Lead Director shall be an independent director and shall be appointed by the Board to serve in that role when the Chair of the Board is not considered to be independent as required under securities laws. The Lead Director will hold office until such time as he or she resigns or is replaced by a majority vote of the Board or until such time as the Board determines that the Chair of the Board is deemed to be independent.
- 1.3 The prime responsibilities of the Lead Director are to act as the effective leader of the Board, to ensure that the Board's agenda will enable the Board to successfully carry out its duties and to facilitate the Board's exercise of independent judgment in carrying out its duties.
- 1.4 The Lead Director's performance will be measured against the effectiveness with which the Board functions, including satisfaction of the independent directors regarding the effective exercise by the Board of independent judgement.
- 1.5 The responsibilities of the Lead Director are to be carried out consistently with the principles stated in the Corporation's Code of Conduct and Ethics Policy.
- 1.6 The responsibilities of the Lead Director are to be carried out in conjunction and cooperation with the Board Chair. In any case where the Lead Director has a specific responsibility that overlaps or conflicts with the responsibilities of the Board Chair, the Board Chair's responsibilities are to be interpreted as being subject to the concurrence of the Lead Director.

**2 Role and Responsibilities**

The Lead Director has the responsibility to:

- 2.1 together with the Board Chair, oversee the Board's discharge of its duties;
- 2.2 work with the Board chair, the CEO and the Board to ensure the Corporation is building a healthy governance culture;
- 2.3 work with the Board Chair and management to set the agenda for each meeting of the Board and ensure the Board is provided with appropriate associated materials;

- 2.4 attend Committee meetings and communicate with directors between meetings, as required.
- 2.5 together with the Board Chair, work with the Committees of the Board to ensure they have a proper structure and appropriate assignments;
- 2.6 together with the Board Chair, oversee the responsibilities and functions delegated to the Committees of the Board, including, but not limited to, compensation, performance evaluations and internal control systems;
- 2.7 assist the Compensation Committee in monitoring and evaluating the performance of the Executive Officers as well as ensuring succession plans are in place at the senior management level.
- 2.8 together with the Board Chair, take steps to foster the Board's understanding of its responsibilities and boundaries with management;
- 2.9 chair Board meetings when the Board Chair is absent or in circumstances where the Board Chair is conflicted;
- 2.10 act as a leader for the independent directors;
- 2.11 serve as an independent contact for directors, shareholders and other stakeholders on matters when the person making contact believes it to be inappropriate to discuss the matter initially with the Board Chair or in other situations where the Board Chair is not available;
- 2.12 communicate with the Board Chair and CEO so that he or she is aware of concerns of the independent directors, shareholders and other stakeholders;
- 2.13 be available to counsel the Board Chair on matters appropriate for review in advance of discussion with the full Board;
- 2.14 organize and present agendas for *in camera* independent director meetings based on input from directors and management;
- 2.15 preside over *in camera* independent director meetings and conduct the meetings in an efficient, effective and focused manner;
- 2.16 oversee the distribution of information to independent directors for purposes of *in camera* independent directors' meetings in a manageable form, sufficiently in advance of the meeting;
- 2.17 brief the Board Chair on decisions reached or suggestions made at *in camera* independent director meetings;
- 2.18 perform other functions as may be reasonably requested by the Board.