



GOVERNANCE POLICY AND BOARD MANDATE

DATE OF MOST RECENT ISSUE / AMENDMENT:

June 4, 2025

VERSION NO:

3.5

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) **Board Chair** – means the chair of the Board.
- (c) **CEO** – refers to the chief executive officer of the Corporation.
- (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 a Committee.
- (f) **Corporation** – means North American Construction Group Ltd.
- (g) **Executive Officer** – refers to CEO, president, chief operating officer, chief financial officer, chief legal officer or chief human resources officer.
- (h) **Lead Director** – means the lead director appointed under Section 5.6, 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 six directors in order to fill all the Committees required for an effective governance structure and to meet the regulatory requirements of applicable stock exchanges. The Board has also determined 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 be prepared to participate actively and knowledgeably. A full description of the responsibilities of all directors is set out in Appendix A.

5.2. Chair

The Board shall elect a Board Chair who will remain as Board Chair until they retire or an alternate Board Chair is selected. The Board Chair position description is set out in Appendix B.

5.3. Committees

To ensure effective management of the workload and concurrently meet regulatory requirements of applicable stock exchanges, the Board shall delegate certain of its responsibilities to the following Committees:

- Audit Committee
- Governance and Sustainability Committee
- Human Resources and Compensation Committee
- Operations Committee

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

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

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

5.4. Board and Committee Composition

The Board shall periodically review Board and Committee composition, consider and approve the nomination of directors recommended by the Governance and Sustainability Committee, fill director vacancies, appoint additional directors and appoint directors to Committees. Committee appointments shall 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 shall, when

identifying and selecting candidates for appointment or election to the Board, consider

- which competencies, qualifications, skills, knowledge, experience and expertise the Board, as a whole, should possess;
- the competencies, qualifications, skills, knowledge, experience and expertise of current directors;
- the competencies, qualifications, skills, knowledge, experience and expertise of potential candidates and how the same would complement those of current directors;
- whether a potential candidate can devote sufficient time and resources to their duties as a director of the Corporation and
- the diversity criteria set out in the Board and Senior Management Diversity Policy.

5.6. Independence

The majority of directors on the Board must be independent. All members of the Audit Committee, the Governance and Sustainability Committee and the Human Resources and Compensation Committee must be independent. The majority of Operations Committee members must be independent.

The Board has determined that an independent director is a director who is not a member of management and 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 they do not satisfy the independence requirements contained in applicable securities legislation or regulations 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 standards for determining whether a director is independent and shall review the independence of each non-management director annually.

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

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

The Board has adopted a policy that a portion of each regularly scheduled Board meeting will be held *in camera* with only independent directors present. Duration of *in camera* sessions are of no fixed duration and participating directors are encouraged to raise and discuss any issues of concern during those sessions.

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

5.7. Majority Voting

Election of directors at any meeting of shareholders of the Corporation at which directors are to be elected will occur 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**). At any such meeting, the following majority voting provisions apply:

- There will be a separate vote of shareholders for each nominated director candidate.
- Shareholders are entitled to vote “for” or “against” each director candidate.
- Each director candidate will be deemed elected only if the number of votes cast for the candidate represents a majority of the votes collectively cast for and against that person by the shareholders present in person or represented by proxy.

The Board Chair shall 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 the resulting board vacancy unfilled until the next annual meeting; (b) fill the board 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 board position.

An incumbent director who was a candidate in an election of directors but was not elected shall continue as a director until the earlier of (a) that director’s resignation; (b) the 90th 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 to satisfy the CBCA’s Canadian residency requirement for directors or
- is required to satisfy the CBCA’s requirement that at least two directors of a distributing corporation are not also 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 (as the case may be) requirements shall govern.

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 Corporation directors may sit on the same public company board without the prior

consent of the Board. In considering whether to permit more than two directors to serve on the same board, the Board must take into account all relevant considerations including the total number of Board interlocks at that time.

No member 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. The Board's role is to review, question, contribute and approve the Corporation's strategic plan and oversee its execution. The Board shall review, discuss and approve the Corporation's strategic plan annually and receive periodic progress updates on its execution from the CEO.

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 implementation of appropriate internal controls and management information systems. The Board must also foster an enterprise-wide culture that supports appropriate risk awareness, behaviour and judgment and 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. In fulfilling this responsibility, the Board shall

- satisfy itself as to the integrity of the Executive Officers and that the Executive Officers create a culture of integrity throughout the organization;
- approve and adopt a Code of Conduct & 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;
- monitor compliance with the Code of Conduct & 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 required compliance with 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
- promote that directors, in conducting their own business, must not place themselves in a position of conflict with the Corporation.

A director has a conflict if they

- are a party to a material contract or transaction, or proposed material contract or transaction, with the Corporation;

- are a director or officer of an entity that is a party to a material contract or transaction, or proposed material contract or transaction, with the Corporation or
- have a material interest in an entity that 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 and Lead Director if a Lead Director has been appointed. The director must also advise the CEO and corporate secretary of the conflict or potential conflict.

It may be impractical for a director (while also serving as a director or officer of another entity or having a material interest in another entity) to know that the other entity is entering into a material contract or transaction with the Corporation and thus impractical for that director to fulfill their obligation to give notice of every such material contract or transaction. Therefore, it is sufficient for the director to deliver a general notice to the Board declaring they are a director or officer or have a material interest in another entity. Thus, the Board shall regard such director as interested in any material contract or transaction made with that other entity.

To minimize the possibility of a conflict of interest not being identified, directors shall provide the Corporation with, 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 is expected to disclose such ownership to the Corporation's corporate secretary.

5.12. Director Compensation

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

The Board, upon recommendation of the Human Resources and Compensation Committee, shall periodically review the adequacy and form of director compensation, including compensation to the Chair, Lead Director and Committee Chairs, to ensure their compensation 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 director who is also a member of management will not receive additional compensation for Board service.

5.13. Shareholding Guidelines

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

- CEO – Five (5) times annual base salary;
- Executive Officers other than CEO – Three (3) times annual base salary;
- Vice-Presidents – One (1) times annual base salary; and
- Directors – Three (3) times fixed annual retainer, including any Lead Director retainer but excluding Committee Chair retainers.

The following requirements shall apply to such share holdings.

- The holding requirement must be achieved within five years of the date a person becomes a director or officer within one of the specified categories.
- The value of shares or share equivalent units held at any given time shall be determined as the greater of the market or book value of those holdings.
- Shares owned for the purpose of measuring compliance with this requirement will be calculated as actual shares owned (including shares beneficially owned or owned by a spouse) plus share equivalent units awarded but not settled, including deferred share units (DSUs) and restricted share units (RSUs), but excluding performance share units (PSUs).
- Where a person holds more than one applicable position as set out above, the higher base salary or director remuneration value shall be used.
- Directors who do not meet the holding requirement must take at least 60% of their retainer in DSUs until such time as the holding requirement is met.
- Once a director meets the holding requirement, there is no obligation to receive their retainer in the form of DSUs. However, a director 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, shall provide an orientation program for new directors. The Board shall ensure that all new directors understand the role of the Board and its Committees. A copy of all corporate governance policies and charters shall be provided to each director. Management shall 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, shall provide all directors with continuing education opportunities so individuals may maintain or enhance their skills and abilities as directors on an ongoing basis. Management shall provide directors with opportunities to increase their knowledge and understanding of the Corporation's business 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, is responsible for the appointment of Executive Officers. Diversity of perspectives and viewpoints at the executive level is equally as important as at the Board level and, accordingly, the Board shall 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.

The Board shall monitor Executive Officer performance against a set of mutually agreed upon corporate objectives directed at maximizing shareholder value.

The Board, at the recommendation of the Human Resources and Compensation Committee, shall ensure that Executive Officers receive the appropriate (as determined by the Board) training and education to ensure ongoing professional development and improvement of Executive Officers.

The Board shall review and approve management succession planning, which must be an ongoing activity. The CEO shall recommend to the Board a successor to act as CEO in the event of their unexpected incapacitation.

5.16. Access to Advisors

The Board and each Committee shall have access to independent legal, accounting, financial and other advisors as each deems necessary or appropriate to assist in the conduct of their 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 their responsibilities as a director must review the request with, and obtain the authorization of, the Board Chair and Lead Director if applicable.

5.17. Term Limits

As set out in the Corporation by-laws, the election of directors will occur at each annual meeting of shareholders at which time the terms of all directors then in office are deemed to end. If qualified, all directors are 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, over a period of service, have developed considerable insight into the Corporation and who, therefore, can be expected to make increasingly valuable contributions to the Board and Corporation. At the same time, the Board recognizes the value of some director turnover in that it ensures a continuous injection of fresh ideas. Therefore, the Board annually reviews the Board's composition in the context of its current strategic direction.

5.18. Evaluation

The Board is responsible for ensuring the continued effectiveness of the Board, its Committees and individual directors and for fostering a process of continuous improvement. Each director shall periodically participate in a Board and Committee effectiveness assessment as well as an individual assessment by the director's

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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 and the relevant Committee charter, as applicable. Individual peer assessments will consider, among other things, the competencies and skills an 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 Committee Chair. The Governance and Sustainability Committee is responsible for establishing the process for Board, Committee and individual director assessments.

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Approved By: Governance Committee

Date of Issue/Amendment: June 4, 2025

POLICY AUDIT

Version	Date	Rationale
3.0	2017-10-31	ISSUED POLICY
3.1	2018-10-04	Annual review – Update logo on title page and company name in definitions
3.2	2020-11-17	Annual review – Add Executive Chair to definitions (3g) and throughout as relevant; added Governance and Sustainability Committee to 5.3 and throughout as relevant; updated 5.5(e) to reference Senior Management Diversity Policy and removed last paragraph; updated 5.8 regarding risk oversight; added disclosure threshold (last sentence) of 5.9; included reference to Human Resources and Compensation Committee in role of appointing executive officers (5.12); added annual board composition review (5.14); Appendix A – added reference to use of electronic attendance at meetings; Appendix B and Appendix C – update secretary title, add reference to lead director; other small changes throughout to reference noted changes.
3.2	2021-11-17	Annual review – Minor grammatical change
3.2	2022-06-08	Annual review – No changes
3.2	2023-06-21	Annual review – Minor grammatical changes and changes for clarity
3.3	2024-06-20	Annual review – Add chief human resources officer to definitions (3g) and throughout as relevant; other minor changes
3.4	2024-11-11	Annual review – Revisions to incorporate shareholding guidelines and majority voting policy, to separate CEO and Chair roles and clarify other matters; update logo.
3.5	2025-06-04	Annual review – Revisions to improve readability, consistency and grammar and reduce redundancy.

Appendix A – Responsibilities of Directors

Directors are expected to:

- Understand and fulfill the legal requirements, fiduciary duties 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 & 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 directors 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 Committees. The Board shall endeavour to limit a director's participation to two Committees to enable each 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.
- Communicate, when appropriate, 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 electronic means. A director shall notify the Board Chair or CEO in advance if they are unable to attend or participate in a meeting.
- 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 they are a member in an honest and positive manner so as to contribute to the continuous functional improvement 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 hold office until they resign or are 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 directors regarding the functioning of the Board.
- 1.5. The Board Chair shall carry out their responsibilities in a manner that is consistent with the principles stated in the Corporation's Code of Conduct & Ethics Policy.
- 1.6. The Board Chair shall carry out their responsibilities in conjunction and cooperation with the Lead Director when a Lead Director has been appointed. In a scenario where the Lead Director has a specific responsibility that overlaps or conflicts with the responsibility of the Board Chair, the Board Chair's responsibility is to be interpreted as being subject to the concurrence of the Lead Director.

2. Board Leadership

The Board Chair has the following leadership responsibilities.

- 2.1. Provide leadership that ensures the Board works harmoniously as a cohesive team.
- 2.2. Facilitate the Board functioning independently of management by ensuring 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 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 proper and timely information is delivered to the Board;
 - working with the CEO to ensure 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, when applicable, ensuring independent directors have the opportunity to meet *in camera* at each Board meeting;
- ensuring that any decisions arising from *in camera* sessions are conveyed to the corporate secretary for inclusion in the minutes of the meeting;
- ensuring 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 following responsibilities for director development.

- 3.1. Assist the Governance and Sustainability Committee in implementing the Board assessment process and lead Board discussion about 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, when applicable, approach new candidates to serve on the Board.

4. Working with Management

The Board Chair has the following responsibilities when working with management.

- 4.1. Represent shareholders and the Board to management and represent management to the Board and shareholders.
- 4.2. Work with the Board and CEO to ensure the Corporation is building a healthy governance culture.
- 4.3. Assist in effective communication between the Board and management, including follow-up on 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 about the major affairs and operations of the Corporation.
- 4.6. Assist the Human Resources and Compensation Committee in monitoring and evaluating the performance of the Executive Officers and ensuring senior management-level succession plans are in place.
- 4.7. Serve as advisor to the CEO and other Executive Officers.

5. Shareholder Relations

The Board Chair has the following responsibilities in building shareholder relations.

- 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 and financial practices. The Board Chair shall inform and consult with management to determine appropriate responses to stakeholder concerns.

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 must be an independent director and be appointed by the Board. Each Committee Chair shall hold office until they resign or are replaced by a majority vote of the Board.
- 1.3. The prime responsibility of a Committee Chair is to provide leadership in matters relating to the effective execution of the Committee's responsibilities.
- 1.4. Each Committee Chair's performance shall 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 shall be carried out in a manner consistent with the principles stated in the Corporation's Code of Conduct & Ethics Policy.

2. Role and Responsibilities

Each Committee Chair has the following responsibilities.

- 2.1. Provide leadership that ensures 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 continual 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 on major items required by management, the Board or by the Committee.
- 2.7. Establish procedures to govern the Committee's work, including
 - working with the CEO and corporate secretary to schedule Committee meetings;
 - developing agendas for Committee meetings with input from the Board Chair, other Committee members and management;
 - working with the Board Chair, CEO and corporate secretary to ensure proper and timely information is delivered to the Committee;
 - working with the Board Chair and CEO to ensure the conduct of Committee meetings provides adequate time for proper discussion of relevant issues;
 - chairing all meetings of the Committee;
 - encouraging full participation, stimulating debate, facilitating consensus and ensuring clarity regarding decision-making;

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- reporting regularly to the Board on Committee activities, including the results of meetings, reviews undertaken and any associated recommendations;
- briefing the Board Chair and Lead Director, if one has been appointed, regularly on the key issues facing the Committee;
- working with the corporate secretary to obtain appropriate administrative support for the Committee and
- addressing 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 the role when the Chair of the Board is not considered to be independent as required under securities laws. The Lead Director shall hold office until they resign or are replaced by a majority vote of the Board or until 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 the Board's agenda enables 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 shall 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 shall be carried out consistently with the principles stated in the Corporation's Code of Conduct & Ethics Policy.
- 1.6. The responsibilities of the Lead Director shall be carried out in conjunction and cooperation with the Board Chair. In a scenario where the Lead Director has a specific responsibility that overlaps or conflicts with the responsibility of the Board Chair, the Board Chair's responsibility is to be interpreted as being subject to the concurrence of the Lead Director.

2. Role and Responsibilities

The role and responsibilities of the Lead Director are as follows.

- 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 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 Human Resources and Compensation Committee in monitoring and evaluating the performance of Executive Officers as well as ensuring senior management-level succession plans are in place.
- 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 in conflict.
- 2.10. Act as a leader of the independent directors.
- 2.11. Serve as an independent contact for directors, shareholders and other stakeholders when the person making contact believes it inappropriate to initially discuss a matter with the Board Chair or, in other situations, when the Board Chair is unavailable.
- 2.12. Communicate with the Board Chair and CEO to inform them of the concerns of 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 independent director *in camera* meetings based on input from directors and management.
- 2.15. Preside over independent director *in camera* 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 independent director *in camera* meetings in a manageable form sufficiently in advance of the meeting.
- 2.17. Brief the Board Chair on decisions reached or suggestions made during independent director *in camera* meetings.
- 2.18. Perform other functions as may be reasonably requested by the Board.