

## MANDATE OF THE BOARD OF DIRECTORS

The Board of Directors, composed of a majority of non-related, independent directors, is responsible for the stewardship of the Corporation in accordance with its by-laws and in conformity with all applicable laws and regulations.

The Board of Directors retains plenary authority and power to do all lawful acts and things that are not by law or otherwise directed or required to be exercised or done by the shareholders of the Corporation or in some other manner.

All directors shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

### Definition of Responsibilities

In carrying out its responsibilities, the Board of Directors (or the committees of the Board of Directors duly constituted by the Board of Directors to the extent that such delegation is permitted by law and is specifically made by the Board of Directors) shall have the following specific responsibilities:

1. Stewardship of the Corporation - The adoption of such corporate governance guidelines or principles applicable to the Corporation, including, but not limited to, (i) the size and composition of the Board of Directors; (ii) the orientation of new directors; (iii) the provision for continuing education of directors; (iv) the compensation of directors; and (v) the periodic assessment of the performance of the Board of Directors, its committees, and directors against its charter and mandate.
  - a. Oversee the maintenance of practices and processes by the Board of Directors and by the management to ensure compliance with applicable laws and appropriate ethical standards, including the adoption of corporate policies and procedures and the adoption of a written code of business conduct and ethics applicable to directors, officers, and employees of the Corporation containing standards that are designed to deter wrongdoing.
  - b. Submit to and approve by the shareholders of any amendment to the articles of the Corporation, amendment, or repeal of any bylaws or any such matters or questions falling within their jurisdiction.
  - c. Adopt and monitor a corporate strategic plan, including an annual business plan, budget, and periodic review, taking into account, among other things, the opportunities and risks associated with the business.
    - 1) Recommend for approval a clear vision for the Corporation as developed by the President and Chief Executive Officer (“CEO”) and shared by the executive officers.
    - 2) Recommend for approval the annual objectives of the Corporation and the CEO, including a monthly operating budget, and the assessment of the performance of the Corporation and the CEO against such approved objectives and budgets.
  - d. Establish adequate internal controls and management information systems.
  - e. Identify the principal risks of the Corporation’s business and ensure the implementation of appropriate systems and insurance policies to manage these risks.
  - f. Adopt and monitor communications or disclosure policy.

- g. Adopt processes for succession planning, periodic review of succession plans for key members of the management, including the CEO, and appointment and performance review of the executive officers of the Corporation.
2. Issuance of securities - Authorize the issuance of securities of the Corporation as required in accordance with applicable laws.
3. Dividends - Approve the approval of the purchase, redemption, or other acquisition of shares issued by the Corporation as required in accordance with applicable laws.
4. Reliability and integrity of accounting principles and practices - Oversee the reliability and integrity of accounting principles and practices followed by management in the financial statements and other financial reporting, and disclosure practices followed by management.
5. Compensation - Approve the compensation paid to executive officers and directors, including variable remuneration, equity compensation and non-arms length consulting arrangements.
6. Integrity of the CEO and other executive officers - Insofar as it is possible, be satisfied with the integrity of the CEO and other executive officers of the Corporation so that the CEO and other executive officers spread a culture of integrity throughout the Corporation.
7. Qualifications and independence of the auditor - Oversee the qualifications and independence of the auditor of the Corporation and approve of the terms and conditions of their audit and non-audit service engagements as required by and in accordance with applicable laws and regulations of the stock exchange and of securities regulatory authorities the Corporation is accountable to.
8. Performance of the independent auditor - Assess the performance of the independent auditor, fill any vacancy in the office of the independent auditor between shareholders' meetings, and recommend the annual appointment or, if appropriate, the removal, of the independent auditor of the Corporation to the shareholders of the Corporation for their approval in accordance with applicable laws.
9. Approval of the annual audited consolidated financial statements - Review and approve the annual audited consolidated financial statements of the Corporation and, as required in accordance with applicable laws, the quarterly unaudited consolidated financial statements of the Corporation.
10. Approval of MD&A, prospectuses, annual information forms, annual reports, and other applicable forms - Approve management's discussion and analyses of financial conditions and results of operations, prospectuses, annual information forms, annual reports, and other applicable forms, as the case may be, including proxy circulars and proxy statements sent to shareholders of the Corporation and any other material disclosure documents.
11. Feedback from security holders - Establish and provide a periodic review of the Corporation's measures for receiving feedback from security holders.
12. Recommendation of candidates for election or appointment to the Board of Directors - Recommend candidates for election or appointment to the Board of Directors, including, if any, the review of nominations recommended by shareholders.

13. Position descriptions - Develop position descriptions for the Chair of the Board and the chair of each committee of the Board of Directors together with a clear position description for the CEO, including a clear delineation of the management's responsibilities.
14. Decisions requiring prior approval of the Board of Directors - To the extent not otherwise referred to above, review and approve all proposed transactions and matters described below under the heading "Decisions Requiring Prior Approval of the Board of Directors" and, where applicable, in accordance with the requirements of the *Canada Business Corporations Act*, the stock exchanges on which the Corporation lists its securities and any other regulatory or securities prescriptions as adopted or in force, or amended from time to time.

### **Decisions Requiring Prior Approval of the Board of Directors**

In discharging its duties and responsibilities, the Board of Directors is expected to be fully diligent in its oversight to avoid fraud or abuse. Accordingly, the Board of Directors may conduct such examinations, investigations, or inquiries, and hire such special legal, accounting, or other advisors, at the expense of the Corporation, at such time or times and on such terms and conditions as the Board of Directors considers appropriate.

In addition to such other approvals that may be required by (i) applicable laws, (ii) stock exchanges on which the Corporation lists its securities, and (iii) securities regulatory authorities, the Board of Directors (or the committees of the Board of Directors duly constituted by the Board of Directors to the extent such delegation is permitted by law and is specifically made by the Board of Directors) shall review and approve prior to implementation:

1. Strategic plan and annual operating budget;
2. Capital expenditures not part of the approved operating budget;
3. Mergers and acquisitions;
4. Material investments and dispositions of the Corporation;
5. Borrowings and banking arrangements of the Corporation;
6. Financing by the Corporation including the issuance of debt, equity, and derivative instruments. More generally, this includes the approval of all off-balance sheet financings by the Corporation or by special purpose entities or affiliates;
7. Purchase and redemption of Corporation's securities;
8. Changes to the articles or by-laws of the Corporation, to the extent permitted by law;
9. Hiring and, if necessary, the dismissal of the CEO;
10. Compensation paid to executive officers and directors, including variable remuneration, equity compensation and non-arms length consulting arrangements;

11. Review of the performance of the Board of Directors to be conducted at least annually.
12. Other material matters outside the ordinary course of the Corporation's business, including, without limitations, all major strategic and policy decisions and settlement of litigation; and
13. Any other matter specified by the Board of Directors as requiring its approval.

### **Expectations of Management**

Management, led by the CEO, is responsible for the day-to-day operations of the Corporation and for providing the Board of Directors, directly or through the Chair of the Board, with complete and accurate information on such operations.

The Board of Directors expects management to propose and, after Board of Directors approval, implement the Corporation's strategic plan and to be accountable for the Corporation's financial and competitive performance. The Board of Directors expects the Corporation's resources to be managed in a manner consistent with enhancing the value of the Corporation and with consideration for ethics and corporate social responsibility.

The Board of Directors may request that certain members of Corporation's management attend all or any portion of a Board of Directors or committee meeting and may schedule presentations by managers who can provide additional insight based on their personal involvement in the matter or their particular expertise.

Each director shall have complete access to all members of the Corporation's management. The Chief Financial Officer of the Corporation shall have access to meet privately with the Audit Committee and Corporate Governance, Remuneration and Risks Committee respectively.

The Board of Directors and all its committees may rely on the information provided by the Corporation's management personnel or outside advisors and auditor.

### **General**

The Board of Directors shall review and assess the adequacy of the mandate of the Board of Directors on an annual basis.

Nothing in this Mandate is intended, or may be construed, to impose on any member of the Board of Directors a standard of care or diligence that is in any way more onerous or extensive than the standard required by law.

In carrying out its duties and responsibilities, the Board of Directors must be fully diligent in its monitoring in order to prevent fraud or abuses. As a result, the Board of Directors may conduct examinations, studies, and investigations and hire legal, financial, or other consultants at the Corporation's expense and according to the frequency and terms and conditions it deems appropriate.

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Revised by the Board of Directors on May 12, 2017.