



## **TERMS OF REFERENCE FOR THE BOARD CHAIR**

### **Introduction to Board Chair Relationships**

The Board Chair is appointed annually by and reports to the Board. The Board Chair's primary role is to manage the Board and ensure that the Board is organized properly and functions effectively to meet its obligations and responsibilities. The Board Chair works with the Chief Executive Officer of the Corporation to ensure effective relations with Board members, shareholders, other stakeholders and the public. The Board Chair also works with the Corporate Secretary, on all Board affairs, including communications. The Board Chair's interaction with all Executive Officers is required, although not expected to be frequent.

### **Duties and Responsibilities**

#### ***Working With Management***

The Board Chair has the responsibility to:

- (a) act as the principal sounding board, counselor and confidant for the Chief Executive Officer, including helping to review strategies, define issues, maintain accountability, and build relationships;
- (b) at the request of the Chief Executive Officer, provide advice to the Chief Executive Officer on major policy issues;
- (c) at the request of the Chief Executive Officer, assist in representing Essential in a general industry and community context;
- (d) facilitate the Chief Executive Officer's awareness of concerns of the Board, shareholders, other stakeholders and the public;
- (e) lead the Board in monitoring and evaluating the performance of the Chief Executive Officer, in the implementation of the management succession and development plans;
- (f) lead the Board in assessing, in conjunction with the Compensation and Governance Committee, the performance of the Chief Executive Officer and other senior officers, and provide input with respect to compensation and succession;
- (g) work with the Chief Executive Officer to ensure management strategies, plans and performance are appropriately represented to the Board; and
- (h) at the request of the Chief Executive Officer, executive management or any Committee, provide assistance on major policy issues such as acquisitions, divestitures, and new strategic initiatives, and also assist in representing the

Corporation at senior levels of industry or government to promote specific corporate objectives.

### ***Managing the Board***

The Board Chair has the responsibility to:

- (i) ensure the Board is alert to its obligations to the Corporation, shareholders, management, other stakeholders and pursuant to law;
- (j) chair Board meetings;
- (k) establish the frequency of Board meetings and review such frequency from time to time, as considered appropriate or as requested by the Board;
- (l) assist the Compensation and Governance Committee in drawing up an annual slate of Directors to be nominated to the Board;
- (m) assist the Compensation and Governance Committee in its recommendation of the Committee members and Committee Chair appointments to the Board for approval and its review of the need for, and the performance and suitability of, those Committees;
- (n) ensure the co-ordination of the agenda, information packages and related events for Board meetings in conjunction with the Chief Executive Officer and the Corporate Secretary;
- (o) ensure the Board receives adequate and regular updates from the Chief Executive Officer on all issues important to the welfare and future of the Corporation;
- (p) maintain a liaison and communication with all Directors and Committee Chairs to co-ordinate input from Directors, and optimize the effectiveness of the Board and its Committees; and
- (q) oversee Director attendance, performance and compensation and the size and composition of the Board, all in conjunction with relevant Committees of the Board.

### ***Relations with Shareholders, other Stakeholders and the Public***

The Board Chair has the responsibility to:

- (r) chair meetings of shareholders;
- (s) in conjunction with the Chief Executive Officer, ensure the Corporation's management and, where applicable, the Board are appropriately represented at official functions and meetings with major shareholder groups, and other stakeholder groups; and

- (t) undertake public service activities, as requested by the Chief Executive Officer and relevant Committees, in connection with Essential's charitable educational and cultural activities and objectives.