

## BOARD DIVERSITY POLICY

### INTRODUCTION

Vancouver Airport Authority (the “Authority”) believes that its composition should reflect the rich diversity of the communities it serves. This Board Diversity Policy is intended to summarize the manner in which the Authority’s Board of Directors (“Board”) will consider diversity in determining the optimum composition of the Board and its committees. This Policy also seeks to guide the Board in its communications with Nominating Entities and the preparation of its annual Corporate Governance Report [included as an Appendix to the Sustainability Report], in which the Board has elected to report against National Policy 58-201 [*Corporate Governance Guidelines*] and the accompanying National Instrument 58-101 [*Disclosure of Corporate Governance Practices*]. While NI 58-101 does not require the Board to adopt a performance model whereby diversity is a strategic priority, the Board has chosen to adopt such a performance model and to voluntarily disclose the details associated with it.

Finally, under this policy, the Board will also proactively monitor the performance of the Airport Authority in carrying out its workforce diversity policy and meeting the standards and targets set therein.

#### 1. General Statement of Policy

The Board recognizes the benefits of having a diverse composition, and has identified diversity as an essential element in attracting qualified directors and maintaining a high-functioning board. In forming its Board, the Directors will have regard to the need to foster and promote diversity among board members and executive officers with respect to attributes such as gender, ethnicity, disability, aboriginal status, age, national origin, sexual orientation, geographic location and other factors.

## BOARD DIVERSITY POLICY

### 2. Mandate

The Governance Committee identifies candidates for At-large positions and makes a recommendation to the Board. Acting upon the advice of the President and CEO, and the recommendation of the Human Resources and Compensation Committee, the Board approves the appointment of executive officers. In support of the objectives of this Policy, the Governance Committee, Human Resources and Compensation Committee and the President and CEO will, when identifying candidates to nominate for election to the Board or appoint as executive officers, as the case may be,:

- (i) consider individuals who are highly qualified, based on their talents, experience, functional expertise and personal skills, character and qualities having regard to the Board Skills and Experience Matrix and current and future plans and objectives;
- (ii) consider criteria that promotes diversity, in particular from the four designated groups named in the employment equity legislation governing the Airport Authority—women, visible minorities, persons with disabilities and aboriginal persons, as well as other diversity factors such as ethnicity, age, national origin, sexual orientation, and geographic location;
- (iii) consider the current level of representation of women on the Board and in executive officer positions along with other markers of diversity when making recommendations for nominees to the Board or for appointment as executive officers and in general with regard to succession planning for the Board and executive officers;
- (iv) communicate the Board's Diversity Policy to the Nominating Entities and encourage a cooperative approach to ensuring diversity on the Board as contemplated by this Policy; and
- (v) establish recruitment and identification processes and, as required, engage qualified independent external advisors, to assist the Board in conducting its search for candidates that meet the Board's criteria regarding skills, experience and diversity.

## BOARD DIVERSITY POLICY

### 3. Communicating Diversity Policy to the Nominating Entities

- 3.1. The Board Chair and the Governance Committee Chair have the responsibility to ensure that the skills and experience criteria developed by the Governance Committee, along with the Board's Diversity Policy, are communicated to the Nominating Entities at least three months before the end of the current appointee's term. The communication should: explain the reason the skills and experience criteria were developed; review the Board Diversity Policy and any gaps in the Board's reflection of the communities that the Authority serves; and encourage the Nominating Entity to consider the needs of the Authority.
- 3.2. The communication must be written and, whenever possible, be supported by a personal visit by the Board Chair or the Governance Committee Chair to the person(s) charged with the responsibility of making the appointment.

### 4. Selection of New Director-at-Large Candidates

The Board is responsible for identifying suitable candidates to be recommended for election to the Board as Directors-at-large and, in so doing, will consider the Board's Diversity Policy. The Governance Committee has the responsibility of: gathering names of potential nominees; screening their qualifications against the current skill and experience needs of the Board and any gaps in the Board's reflection of the communities that the Authority serves; and making recommendations to the full Board. All Directors are encouraged to identify and recommend potential candidates to the Governance Committee. Additional input to the process is provided by the President. An invitation to a candidate to stand as a nominee for election to the Board will normally be made by the Board through the Chair.

## BOARD DIVERSITY POLICY

### 5. Monitoring and Reporting

5.1. The Governance Committee shall report to the Board annually on the implementation of this Policy. Recognizing the need for considered and effective progression in respect of this Policy, success will be measured based on, among other things, the increase over time (where the Board thinks an increase is desirable) or maintenance of an acceptable level of diversity on the Board and in executive officer positions. With regard to the latter, the Governance Committee will seek feedback from the CEO and Human Resources and Compensation Committee. The Governance Committee shall also report progress on the implementation of specific processes designed to foster the progression of diverse candidates to be considered for nomination or appointment.

5.2. Given the nature and size of the Airport Authority's business and its industry, it may be challenging for the Governance Committee to identify a qualified pool of candidates that adequately reflects the various diverse characteristics that the Board seeks to promote. In addition, nine of the 14 Directors on the Board are appointed by outside Nominating Entities. Accordingly, it would be difficult to set firm quotas for diversity.

Nevertheless, recognizing the value of diversity on the Board, the Board will strive to have the representation of diversity that is in the community we serve. Specifically, the Board aspires to achieve a target of at least half the Board membership being made up of individuals from the four designated groups defined in the applicable federal legislation: women, visible minorities, persons with disabilities and aboriginal persons.

### 6. Outside Advisors

The Board thinks that, by reaching out to organizations whose mandate it is to advance diversity on Canada's Boards, the Board will benefit from well-credentialed individuals who bring a wider range of skills, experiences and

## BOARD DIVERSITY POLICY

perspectives to corporate governance. The Governance Committee specifically instructs third party search firms to identify candidates for Board positions who have the skill sets and experience required at a given time and who also reflect the diversity of our community. The Board Chair and Governance Committee Chair should encourage the Nominating Entities to follow a similar approach.

### 7. Board Responsibilities

The Board is responsible for:

- Ensuring this policy is consistently applied to all Board recruitment and election processes;
- Setting targets and developing specific actions plans as deemed necessary to achieve the optimum level of diversity on the Board from time to time;
- Approving changes to this Board Diversity Policy; and
- Monitoring Management's implementation of the Airport Authority's workforce diversity policy, either directly or through the Human Resources and Compensation Committee of the Board.

### 8. Board Guidelines Review

This Policy is reviewed and approved annually by the Board through the Governance Committee.