

DIRECTOR DEVELOPMENT AND EDUCATION PLAN

Introduction

Directors taking a seat on the Board of the Vancouver Airport Authority (the Authority) join a complicated organization. The complexity arises both from the Authority's unique governance model and the fact that, in addition to operating Vancouver International Airport (YVR), it also:

- serves as landlord and property manager to in-terminal and land tenants—who in turn operate a broad array of businesses;
- operates parking facilities;
- markets products developed by its in-house innovation team; and
- acts as a developer and construction manager for large scale projects.

As a further complication, while the Authority operates YVR, it does not control all parts of the business; for example, the Canadian Air Transport Security Authority (CATSA) operates pre-board passenger screening and baggage screening; the Canada Border Services Agency controls the international border located within the terminal; and the airlines operate passenger and baggage check-in and aircraft loading and unloading.

The goal of the Director Development and Education Plan is to help Directors maximize their contribution in the Boardroom. The Plan strives to give new Directors sufficient up front knowledge to be comfortable in making an immediate contribution to Board deliberations. Ongoing education helps to deepen Directors' knowledge of YVR and the aviation industry and the context within which YVR operates.

1. Director Orientation

The orientation program for new Directors is intended to provide a comprehensive introduction to the Authority, the airport (YVR), and the Authority's governance rules and practices. The orientation sessions will ensure that new Directors understand the governance structure, the role of the Board and its Committees, the Strategy, Mission, Vision and Values of the corporation, and the context within which decisions are made. These sessions will also be used as an opportunity to get to know new

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Directors' areas of expertise, their interests, and areas where they would like additional focus during their introduction to the Authority and YVR. A checklist of potential focus areas, attached as Appendix A, will be provided to new Directors. The majority of the Orientation Program will be delivered in person. The Orientation Program will be tailored based on the individual Director's experience. In order to better ascertain Directors' background, the Corporate Secretary will interview new Directors prior to their orientation session.

The Orientation Program consists of:

- 1.1. Meeting with the Governance Committee Chair and Corporate Secretary¹: a session to review fiduciary duty and duties under the law, risk, conflict of interest, the Authority governance model—including subsidiary governance, Board and Committee structure, interaction with management, and confidentiality. For Nominated Directors, this session will review Directors' obligation to act in the best interest of the Authority and their communication obligations with respect to the Entity that nominated them.
- 1.2. Meeting with the Chair: an introductory session to get to know the Chair. The Chair will discuss Board culture and expectations of individual Directors. The Chair will discuss each Director's interests with regard to Committee assignments.
- 1.3. Meeting with the President: an opportunity to get to know the President, hear about YVR's corporate culture, and discuss issues facing the Authority.
- 1.4. Meeting with the Vice President Human Resources: a session to review the executive compensation policy and program.
- 1.5. Aviation 101 Session: An interactive session providing: a primer on the Authority's Strategy, Mission, Vision and Values; a discussion on the Authority's business model—how we make money; an overview of the aviation business and the Authority's relationship with the airlines; a review of recent key Board decisions and upcoming issues; an overview of the

¹ In recognition of individuals' availability, meetings may be combined where necessary. Meetings will take place in a private setting to facilitate the free flow of information.

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Authority's Enterprise Risk Management Program and the Board's role in risk management oversight; and a review of upcoming capital projects and how we pay for them. The session will include lunch with the entire Executive Team. Members of the Executive Team will be invited to participate, as available, in the entire session.

- 1.6. Administrative Session with the Corporate Secretary and Secretariat Team: includes an overview of the Board's Governance Rules and Practices Manual, a tutorial on the Board Portal, review of the Board calendar, and information on Directors' fees and expenses as well as other administrative issues.
- 1.7. Airport Tour: a comprehensive tour of the terminals, both pre- and post-security, and airside conducted by the Vice President Airport Operations or other qualified employees.
- 1.8. Lunch with Vice Presidents (Optional): during their first year on the Board, new Directors are encouraged to arrange a meeting or lunch with Vice Presidents to get to know them and have the opportunity to ask questions on projects and issues within each Vice President's portfolio. Experienced Directors are also encouraged to arrange such meetings should they wish to further educate themselves on matters coming before the Board.
- 1.9. Orientation Binder and Reference Guide (hard or soft copy at Director's Request): additional material on the Authority and the airport including: a one-page overview of the orientation process and resources available to Directors; instructions on the Board's Portal including how to find minutes of past meetings, the President's Reports and recent Board meeting packages; copies of the most recent Annual & Sustainability Report, Strategic Plan, annual operating plan, Master Plan summary, Digital Plan, short briefing notes on key focus areas and essential administrative information such as Board Portal log-in instructions, parking and fee administration.
- 1.10. Optional Board Mentor: At their option, new Directors may ask the Chair to appoint a Board mentor. The Mentor would meet with the new Director after their first three meetings to answer questions and provide constructive feedback on Boardroom contribution.

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1.11. Six month check-in: The Chair, Chair of the Governance Committee and the Corporate Secretary will check-in with new Directors once they have served approximately six months on the Board. They will ask the new Directors to review the checklist of potential focus areas, and arrange briefings with appropriate members of the Authority team as may be appropriate or requested. Other Directors may be invited to participate in focus area briefings.

2. Continuing Education

2.1. Continuing education is designed to expand Directors' knowledge of the aviation industry, government policy, business risk, competition, governance practices and particular industry segments, such as cargo or environmental management. Continuing education is the responsibility of each individual Director. Beyond the programs identified below, Directors are invited to identify gaps in knowledge that they would like to fill, and the Corporate Secretary will work with them on a plan to find suitable educational opportunities. Educational opportunities with associated costs must be approved in advance by the Chair.

The program consists of:

2.2. Presentations by Experts: At least three times a year, an expert will be invited to make a presentation for Directors, and management if appropriate, on industry issues either at a Board meeting or other convenient setting. A question and answer session will form part of the program. These sessions also may be used to schedule a meeting with another board of directors, city council or other organization to discuss issues of mutual interest.

2.3. YVR Facility Tours: The Board of Directors will receive a site visit and briefing on an area of airport operations either in conjunction with a Board meeting, or on a separate date at least once a year. Note: In addition, Board Committees may also hold periodic tours to gain additional perspectives on issues covered by the Committee's Terms of Reference. In these cases, Directors not on the Committee will be invited to participate.

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- 2.4. The Board Strategic Retreat: The Senior Vice President Strategy and CFO and the Corporate Secretariat will work with the Planning and Development Committee to develop agendas that result in productive sessions which provide an educational opportunity while also achieving clear and specific outcomes. Where appropriate, external experts on relevant topics will be invited to participate.
- 2.5. Annual Educational Opportunities: the Corporate Secretariat will bring to the attention of Directors locally available educational opportunities related to governance, aviation, the economy, trade, tourism and government and community relations. Directors are also encouraged to identify relevant educational opportunities and, if appropriate, bring them to the attention of fellow Directors via the Governance Committee. Requests to attend seminars, courses or similar programs must be approved in advance by the Chair.
- 2.6. Ad Hoc Board and Committee Presentations: The Corporate Secretariat will continue to arrange presentations or provide educational material to the Board or to a Board Committee on breaking issues that may impact the Airport Authority.
- 2.7. Focus Area Briefings and Meeting with Vice Presidents: As set out in the Orientation Section, experienced Directors are also welcome to request a briefing on one the focus areas set out in Appendix A or on other topics of interest. Directors are also welcome to set up a meeting with a Vice President to further discuss issues within that Vice President's portfolio.
- 2.8. Attendance at Committee Meeting where the Director is not a Member: any Director may attend any Committee meeting. This is an excellent opportunity to gain added knowledge on matters coming before the Board. As a courtesy, Directors are asked to inform the Committee Chair of planned attendance. Directors will not be remunerated for attendance at Committees where they are not a member.
- 2.9. Rotation of Committee Leadership and Membership: The Board considers periodic rotation in Committee leadership and membership to be an important part of Directors' education and development. As set out in Tab 2, Section 11

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of the Governance Rules and Practices Manual, the rotation should recognize and balance the need for new ideas, continuity and maintenance of functional expertise.