



Vancouver Airport Authority

Board of Directors — Terms of Reference

Purpose

The Board of Directors (the "Board") is responsible for the overall stewardship of the Airport Authority, overseeing the Airport Authority's strategic direction, governance, financials and alignment to its values. In overseeing strategy and making Board decisions, the Board considers the lenses of Climate, Digital, Reconciliation and Financial Sustainability, as well as the Customer perspective. The Board provides clear-sighted counsel and oversees Management, who are responsible for the day-to-day conduct of the business, with the objective of ensuring the Airport Authority meets its obligations and takes all reasonable steps to ensure the safety, resiliency and sustainability of the Airport Authority. The Board's priority is to foster the long-term success of the Airport Authority in a manner consistent with Vancouver International Airport's purpose of serving our community and the economy that supports it, while also being accountable to Airport Authority employees, business partners, customers and the community at large.

Responsibilities

The Board is responsible to:

Governance

- a) manage its own affairs, including selecting a Chair, Board renewal, establishing committees, determining director compensation, and fostering a safe and inclusive atmosphere within the boardroom that supports a robust exchange and sharing of views
- b) constitute, seek the advice of, and delegate powers, duties, and responsibilities to Board committees as it sees fit, all subject to the By-laws and governing legislation
- c) ensure regular evaluations of both the Board and individual Directors

Selection of CEO and Advising on Executive Management

- d) appoint and replace the President and Chief Executive Officer (collectively, the "CEO"), monitor their performance, approve their compensation, ensure a CEO succession plan exists, and provide advice and counsel to the CEO in the execution of their duties

- e) provide advice to the CEO via the Human Resources Committee on Vice President appointment and compensation
- f) ensure that the CEO has Senior Leadership Team succession and development plans

Monitoring and Acting

- g) monitor the health, safety, and security of the organization, including that of its workforce, airport systems and users of airport facilities
- h) monitor major strategic and emerging risks and ensure a risk review informs every Board decision
- i) Confirm an effective Enterprise Risk Management (ERM) program is in place and support Management in building a healthy and robust risk culture
- j) share wisdom, lived experience and advice with Management

Financial Oversight

- k) oversee the financial health and sustainability of the Airport Authority, including the management of its assets
- l) ensure adequate financial controls and systems for maintaining the integrity of information and financial and other critical systems and preventing fraud are in place
- m) ensure the Airport Authority meets its disclosure obligations
- n) review and approve the annual Budget
- o) review and approve all Airport Authority financing

Strategy Determination

- p) review with Management the Airport Authority's purpose, objectives and strategy, considering the strategic lenses of Climate, Digital, Reconciliation and Financial Sustainability as well as the Customer perspective
- q) review with Management the major plans that guide and support purpose, objectives, environmental, social and governance ambitions and long-term strategy (e.g., Master Plan, Land Use Plan, Land Development Strategy)
- r) monitor progress towards the achievement of the Airport Authority's strategic goals and recommend changes as needed
- s) review with Management the major plans and policies that guide and support the achievement of the Airport Authority's Climate goals

- t) Review with Management the advancement and evolution of the objectives set out in the Musqueam Indian Band – YVR Sustainability & Friendship Agreement and continue to build a respectful relationship with Musqueam Chief, Council and community
- u) Promote “One YVR” and input on the approach to building a shared purpose across the airport community in recognition that YVR’ success relies on a high functioning ecosystem

Policies and Procedures

- v) Confirm that major Airport Authority policies and procedures are in place to ensure effective and efficient Management oversight
- w) confirm systems are in place to ensure the Airport Authority operates within applicable laws and regulations and to the highest ethical and moral standards

Compliance Reporting, Corporate Communications, and Stakeholder Relationships

- x) ensure that financial results are reported fairly and promptly to relevant stakeholders and in accordance with generally accepted accounting principles
- y) ensure that sustainability results are adequately and fairly reported to the public
- z) ensure reporting of other matters having a material effect on performance
- aa) report annually to the Nominating Entities on the Board’s stewardship for the preceding year
- bb) monitor relationships with and ensure effective communication plans are in place for Nominating Entities, employees, airport partners, customers, stakeholders, governments, Indigenous communities and the wider community

General Legal Obligations of the Board of Directors

The Airport Authority is a non-share capitalized corporation continued under the *Canada Not-for-profit Corporations Act*.

The Airport Authority has no share capital and thus has Members rather than shareholders. In the case of the Airport Authority, Members and Directors are the same people, resulting in circumstances where Members vote to ratify the actions they took as Directors.

Directors are under a fiduciary duty to the Airport Authority to carry out the duties of their office honestly and in good faith, in the best interests of the Airport Authority, and with the care, diligence, and skill of a reasonably prudent person. Directors have specific statutory duties and obligations under employment, environmental, financial reporting and tax law.

Composition

In accordance with the By-laws, the Board consists of no more than 15 Directors at any given time, comprised of nine Nominating Entity nominees, five Board appointees from the community at large (including the Chair of the Board), and the CEO. The Corporate Secretary will be secretary to the Board.

Meetings

The Board will meet as required but not less frequently than four times per calendar year. The Board Chair sets the agenda and works with other Directors, the CEO and the Corporate Secretary to ensure the agenda and meeting materials are circulated in a timely manner in advance of a meeting.

Reporting

Minutes of all meetings will be made available to the Board. The Governance Committee will review and recommend changes to these terms of reference as appropriate from time to time.

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