



TERMS OF REFERENCE FOR A DIRECTOR

I. INTRODUCTION

The Board of Directors (the “Board”) acts collectively and exercises its powers and responsibilities as a group. Individual Directors have no power to act on their own.

II. FIDUCIARY RESPONSIBILITIES

Broadly speaking, a Director of the Corporation has several fundamental obligations to perform.

A. Honesty and Good Faith

Common law requires a Director to act honestly and in good faith with a view towards the best interests of the Corporation. The key elements of this standard of behaviour are:

- i) A Director must act in the best interests of the Corporation and not in his or her self-interest. This also means a Director should not be acting in the best interests of a special interest group or constituency.
- ii) A Director cannot take personal advantage of opportunities that come before him/her in the course of performing his/her Director duties.
- iii) A Director must disclose to the Board any personal interests that he/she holds that may conflict with the interests of the Corporation.
- iv) A Director must respect all terms of the Corporation's Code of Ethics.

B. Skillful Management

A Director shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in similar circumstances. This means:

- i) The standard of behavior expected of a Director will depend upon the particular qualities or characteristics that the Director brings to the Corporation relative to the particular matters under consideration.

TERMS OF REFERENCE FOR A DIRECTOR

- ii) The Director must be proactive in the performance of his or her duties by:
 - a) attending meetings; a Director who has not attended meetings of the Board, must show diligence by examination of reports, discussion with other Directors, and otherwise being sufficiently familiar with the organization's activities so that he/she does not suffer as a result of non-attendance;
 - b) participating in a meaningful way; and
 - c) being vigilant to ensure the Corporation is being properly managed and is complying with laws affecting the Corporation.

III. STANDARDS OF BEHAVIOUR ESTABLISHED BY THE BOARD

The Board has established the following standards of behaviour for Directors.

A. General

As a member of the Board, each Director will:

- i) demonstrate a solid understanding of the role, responsibilities and legal duties of a Director and the governance structure of the Corporation;
- ii) represent the interests of Government in the governance of the Corporation ensuring that the best interests of ICBC are paramount;
- iii) demonstrate high ethical standards in personal and professional dealings; and
- iv) understand the difference between governing and managing, and not encroach on Management's area of responsibility.

B. Strategies and Plan

As a member of the Board, each Director will:

- i) demonstrate an understanding of the Corporation's strategic direction;
- ii) contribute and add value to discussions regarding the Corporation's strategic direction; and
- iii) participate in monitoring and evaluating the success of the Corporation and the President/Chief Executive Officer (the "CEO") in achieving established goals and objectives.



TERMS OF REFERENCE FOR A DIRECTOR

C. Preparation, Attendance and Availability

As a member of the Board, each Director will:

- i) prepare for Board and Committee meetings by reading reports and background materials distributed in advance;
- ii) maintain an excellent Board and Committee meeting attendance record¹;
- iii) organize him/herself so as to be able to attend the entire Board or Committee meeting, not just parts of meetings; and
- iv) participate in Committees and contribute to their purpose.

D. Communication and Interaction

As a member of the Board, each Director will:

- i) demonstrate good judgment;
- ii) interact appropriately with the leadership and Management of the Corporation;
- iii) participate fully and frankly in the deliberations and discussions of the Board;
- iv) be a positive and constructive force within the Board;
- v) demonstrate an openness to others' opinions and the willingness to listen;
- vi) have the confidence and will to make tough decisions, including the strength to challenge the majority view;
- vii) maintain collaborative and congenial relationships with colleagues on the Board; and
- viii) advise the CEO and the Chair in advance when introducing significant and/or previously unknown information or material at a Board meeting.

¹ The target is 100% attendance. Anything less than 80%, without extenuating circumstances, would create difficulties for the Board.



TERMS OF REFERENCE FOR A DIRECTOR

E. Industry Knowledge

Recognizing that decisions can only be made by well-informed Directors, each Director will:

- i) become generally knowledgeable about the business of ICBC and its industry;
- ii) in consultation with the Board Chair, attend industry conferences and any other relevant forums;
- iii) participate in Director orientation and development programs developed by the Corporation from time to time;
- iv) maintain an understanding of the regulatory, legislative, social and political environments within which the Corporation operates;
- v) become acquainted with the Corporation's senior Management team; and
- vi) be an effective ambassador and representative of ICBC.

Last reviewed by the Committee: January 23, 2018