

## **Calian Group LTD.**

### **Mandate of the Corporate Governance and Risk Committee**

#### **1. Purpose**

1.1. The Corporate Governance and Risk Committee (The Committee) will assist the Board of Directors in fulfilling its oversight responsibilities in relation to the corporate governance practices and policies of the Corporation. The primary function of The Committee is to assist the Board with oversight of:

- a. The organisation's planning, execution, and behaviour;
- b. Responsible use of resources;
- c. Sound principle-based decision-making; and,
- d. The corporate governance practices and policies of the Corporation.

1.2. The primary objectives of The Committee are to ensure management:

- a. Sustains and improves its performance in a viable manner;
- b. Sustains investor and other stakeholders' confidence;
- c. Is resilient in the face of adverse conditions or events; and,
- d. Meets its compliance obligations to customers, suppliers, and regulators.

#### **2. Responsibilities**

##### **2.1. Board Governance**

- a. Establish appropriate structures and procedures to allow the Board to function independently of management;
- b. Evaluate the size and composition of the Board and establish Board committees. Define the Committees mandates to assist the Board in carrying out its responsibilities;
- c. Annually review and assess the adequacy of the Board's mandate and evaluate its effectiveness in fulfilling its responsibilities;
- d. Monitor best practices and ensure compliance with all legal requirements relating to corporate governance. Develop and recommend to the Board of Directors a set of corporate governance guidelines including the Board of Directors' mandate in accordance with applicable laws and regulations. Review such guidelines periodically and recommend changes as deemed necessary;
- e. Develop and implement the education program for the Board on an annual basis;
- f. With the Chair of the Board, implement the annual board evaluation process to prepare for the board slate for the Annual General Meeting and to inform the board recruitment process; and

- g. Review and assess the adequacy of the Corporation's Disclosure Policy, Insider Trading Policy, Guide to Ethical Business Practices and other related policies and guidelines, as deemed appropriate.

## **2.2. Oversight of Risk**

- a. Monitor the Corporation's governance, risk & compliance framework and related standards;
- b. Approve governance, risk and compliance policies that are not otherwise assigned to other Board Committees;
- c. Understand and approve the level of risk inherent in our strategy and business model, and the amount and type of risk we are willing to accept in pursuit of corporate goals and objectives;
- d. Monitoring the overall corporate compliance with legal, regulatory and voluntary requirements;
- e. Ascertain that policies and procedures are in place to minimize environmental, occupational health and safety, and other risks to asset value and mitigate damage to or deterioration of asset value and review such policies and procedures periodically;
- f. Ascertain that policies and procedures include comprehensive computer disaster recovery plans;
- g. Where the Board has allocated oversight of specific governance, risk or compliance policies and programs to other Board committees, the Governance and Risk Committee will provide the Board with an integrated view of oversight of all governance, risk and compliance programs across all Board committees.

## **3. Membership**

- 3.1. The Committee shall be composed of a minimum of three directors, with the majority being independent directors.

## **4. Rules of Procedure**

- 4.1. Unless the Committee otherwise specifies, the Secretary of the Corporation shall act as Secretary of all meetings of the Committee.
- 4.2. In the absence of the Chair of the Committee, the Board Chair shall chair the meeting.
- 4.3. A copy of the minutes of each meeting of The Committee shall be provided to each director in a timely fashion.
- 4.4. Committee meeting agendas shall be the responsibility of the Chair of the Committee.

4.5. To assist the Committee in discharging its responsibilities, the Committee may retain at the expense of the Corporation, one or more persons having special expertise.

4.6. The Committee shall review its performance and mandate on an annual basis.

## **5. Reporting**

5.1. The Committee shall report to the Board quarterly.

## **6. Frequency of Meetings**

6.1. The Committee shall meet periodically as circumstances dictate, at a minimum quarterly. Meetings shall be held at the call of the Chair or upon the request of two members of the Board.

## **7. Quorum**

7.1. A quorum shall be a majority of the members.

## **8. Resources**

8.1. Resources to support the Committee will be provided through consultation with the Committee Chair and CEO.

**Date of Last Review:** May 10, 2022