



**HIGHWOOD**  
ASSET MANAGEMENT LTD.

# **CEO POSITION DESCRIPTION AND MANDATE**

---

**HIGHWOOD ASSET MANAGEMENT LTD.**

The President and Chief Executive Officer ("**CEO**") of Highwood Asset Management Ltd. (the "**Corporation**") has the responsibility and specific duties described below.

**1. Appointment**

The CEO will be a duly elected or appointed member of the board of directors (the "**Board**"), will be appointed as CEO by the Board each year and will have the competencies and skills recommended by, and determined by, the Board. The CEO is not independent under the standards adopted by the Board and as defined by applicable law.

**2. Responsibility**

The CEO provides effective leadership and vision for the Corporation to grow value responsibly, in a profitable and sustainable manner. The CEO sets the "tone" for management of the Corporation ("**Management**") to foster ethical and responsible decision making, appropriate management and best-in-class corporate governance practices.

**3. Specific Duties**

The CEO will:

(a) *Leadership*

- (i) provide leadership and vision to manage the Corporation in the best interests of its shareholders;
- (ii) provide leadership in setting the Mission, Vision, Principles, Values, Strategic Plan and Annual Operating Plan of the Corporation, in conjunction with the Board; and
- (iii) lead the growth of the Corporation 's energy businesses in a profitable and sustainable manner through resourceful people, capitalizing on superior assets and innovation and operating in a socially responsible manner,

(b) *Community*

- (i) be a community leader and ensure that the Corporation contributes to the well-being and improvement of the communities in which it operates;
- (ii) serve as the external spokesperson and principal liaison for the Corporation, including effectively managing relations with the Corporation's external stakeholders, such as shareholders, the communities in which the Corporation operates, customers, creditors, suppliers, the media, governments, non-government organizations and the public generally; and
- (iii) be responsible for communicating the Corporation's Mission, Vision, Principles, Values, strategy and business plan to external stakeholders,

- (c) *Corporate Social Responsibility, Ethics and Integrity*
  - (i) provide leadership to Management in support of the Corporation's commitment to Corporate Social Responsibility,
  - (ii) foster ethical and responsible decision making by Management;
  - (iii) set the ethical tone for the Corporation and its Management, including (A) overseeing the administration and implementation of, and compliance with, the Corporation's policies and procedures; (B) take all reasonable steps to satisfy the Board as to the integrity of the CEO and other senior officers; and (C) take all reasonable steps to satisfy the Board that the CEO and other senior officers create a culture of integrity throughout the organization,
- (d) *Governance*
  - (i) communicate in a timely fashion with the Board on material matters affecting the Corporation;
  - (ii) communicate regularly with the Chair of the Board (the "**Board Chair**") and other Directors of the Corporation ("**Directors**") to ensure that these responsibilities are being fully complied with and that Directors are being provided with information necessary to fulfill their responsibilities and statutory obligations;
  - (iii) assist the in developing the Board, Board Committee and Individual Director Mandates; and
  - (iv) assist in developing an orientation program for new Directors and a continuing education program for Directors,
- (e) *Disclosure*
  - (i) with the Chief Financial Officer and other members of Management, as needed, ensure appropriate and timely disclosure of material information,
- (f) *Strategic Planning*
  - (i) ensure the development of a Strategic Plan for the Corporation to maximize shareholder value and recommend it to the Board for review and, in the Board's discretion, approval; and
  - (ii) ensure the implementation of the Strategic Plan and report to the Board in a timely manner on deviations from the strategic plan or any parameters established by the Board,
- (g) *Business Management*
  - (i) provide general supervision and management of the day-to-day affairs of the Corporation within the guidelines established by the Board, consistent with

decisions requiring prior approval of the Board and the Board's expectations of Management;

- (ii) ensure the development of an Annual Operating Plan including business plans, operational requirements, organizational structure, staffing and budgets that support the Strategic Plan and recommend the Annual Operating Plan to the Board for review and, in the Board's discretion, approval;
  - (iii) ensure the implementation of the Annual Operating Plan and direct and monitor the activities and resources of the Corporation, consistent with the strategic direction, financial limits and operating objectives approved by the Board; and
  - (iv) approve commitments within the limits of delegated approval authorities,
- (h) *Risk Management*
- (i) provide the Board assurance that the proper systems are in place to identify and manage business risks and that such risks are acceptable to the Corporation and are within the guidelines established by the Audit Committee and the Board;
  - (ii) ensure the accuracy, completeness, integrity and appropriate disclosure of the Corporation's financial statements and other financial information through appropriate policies and procedures;
  - (iii) establish and maintain the Corporation's disclosure controls and procedures through appropriate policies and procedures;
  - (iv) establish and maintain the Corporation's internal controls over financial reporting through appropriate policies and procedures;
  - (v) ensure that the Corporation has complied with all regulatory requirements for the Corporation's financial information, reporting, disclosure requirements and internal controls over financial reporting;
  - (vi) provide required regulatory certifications regarding the Corporation and its activities;
  - (vii) ensure appropriate policies and procedures of the Corporation are developed, maintained and disclosed; and
  - (viii) provide the Disclosure and Confidentiality Policy to the Board for review, and in the Board's discretion, approval,
- (i) *Organizational Effectiveness/Succession*
- (i) develop a strong organization with the right people in the right positions;

## CEO POSITION DESCRIPTION AND MANDATE

- (ii) with the Board, ensure that the Corporation has an effective senior Management team below the level of the CEO, that the Board has regular exposure to senior Management team members, and that there exists an effective plan of succession and development for the CEO and senior Management; and
  - (iii) recommend appointments to senior Management, monitor performance of senior Management and provide feedback and training as appropriate,
- (j) *CEO Performance*
  - (i) with the Board, participate in developing the CEO Position Description;
  - (ii) with the Board, participate in developing Annual Accountabilities consisting of personal and corporate goals and objectives aligned with the Corporation's Mission, Vision, Principles, Values, Strategic Plan and Annual Operating Plan, as well as indicators to measure the CEO performance, and present them to the Board for review, and in the Board's discretion, approval; and
  - (iii) ensure that an annual evaluation of CEO performance is conducted by the Corporate Governance and Compensation Committee and the Board,
- (k) *Other*
  - (i) carry out any other appropriate duties and responsibilities assigned by the Board;
  - (ii) to honour the spirit and intent of applicable law as it evolves, authority to make minor technical amendments to this Position Description is delegated to the Secretary, who will report any amendments to the Board at its next meeting; and
  - (iii) once or more annually, as the Board decides, this Position Description will be fully evaluated and updates recommended for consideration.