



# Board of Directors Terms of Reference

November, 2023

## 1. Purpose

The Board of Directors (the “Board”) is to provide leadership and strategic guidance to ATB Financial and, as steward of the organization, has the responsibility to oversee the conduct of the business and affairs of ATB Financial.

## 2. Roles and Responsibilities

In carrying out its purpose, the Board has oversight over the culture of the organization, the CEO, senior management and ATB Financial’s oversight groups, the strategic planning process, as well as accountability to ensure that appropriate risk management and internal controls structures are in place, and broadly establishing structures to ensure good governance, including the integration of ESG principles. In addition, the Board has the specific responsibilities that are set out in Schedule “A” as well as any other matters that may be approved by the Board from time to time. These responsibilities may be delegated to Committees of the Board, in whole or in part, with ongoing reporting by the Committees to the Board.

The Board and each of its members shall comply with such additional requirements as are specified in the ATB Financial Act and Regulation and in the bylaws and resolutions of the Board in effect from time to time.

## 3. Meetings

The Board will meet in accordance with a schedule established by the Board each year, and at such other times as the Board may determine. Board members are expected to attend Board and Committee meetings fully prepared, having reviewed meeting materials in advance.

The Board shall have an in camera session at each Board meeting without management present.

## 4. Access to Management and Outside Advisors

In carrying out its responsibilities, the Board shall have unrestricted access to management and employees of ATB Financial. The Board shall have the authority to select, retain external legal counsel,



consultants and other advisors to assist it in fulfilling its responsibilities and to set and pay the compensation of these advisors without consulting or obtaining the approval of ATB Financial, its officers or employees.

<b>Description of Action</b>	<b>Date</b>	<b>Owner</b>
Recommended by the Chief Legal and Sustainability Officer & Corporate Secretary	November 2023	Chief Legal and Sustainability Officer & Corporate Secretary
Recommended by Governance & Conduct Review Committee	November 2023	
Approved by Board of Directors	November 2023	

“Joan Hertz”  
Joan Hertz  
Chair of the Board of Directors



## Schedule "A"

## Roles and Responsibilities Calendar

✓ When Performed

Roles and Responsibilities	Annually	Every 3 Years	As Required
<b>Culture of Integrity</b>			
1. Approve and oversee compliance to ATB Financial's Code of Conduct and Ethics for team members and the Board of Directors Code of Conduct and Ethics	✓ (Team Member Code approval)	✓ (Director Code Approval)	
2. Satisfy itself as to the integrity of the Chief Executive Officer ("CEO") and other executive officers and that the CEO and other executive officers promote a culture of integrity throughout ATB Financial through the adoption of appropriate policies and controls	✓		✓
<b>Compensation, Evaluation &amp; Succession</b>			
3. Oversee ATB Financial's policies and procedures relating to appointment, compensation, performance evaluation, and succession planning of the CEO and other designated executive officers, including:			
a. Approve the appointment and dismissal of all Designated Executives as defined in the Terms of Reference of the Human Resources Committee;	✓		✓
b. Approve the succession planning processes for the CEO and Senior Executives, as defined in the Terms of Reference of the Human Resources Committee;	✓		
c. Review the performance expectations, corporate goals and objectives for the CEO and monitor progress against those expectations;	✓		✓
d. Approve the compensation of the CEO (base salary to be recommended to the Minister responsible for the ATB Financial Act (the "Minister")); and	✓		✓
e. Recommend the appointment and dismissal (if necessary) of the CEO to the Minister.			✓
<b>Strategic Planning</b>			



4. Approve the strategic plan which takes into account the opportunities and risks of ATB Financial's business and its mandate, and monitor the implementation and effectiveness of the strategic plan	✓		
5. Review and approve ATB Financial's: a. enterprise-wide objectives and its financial and liquidity plans, review performance against such objectives and plans; and  b. internal capital adequacy assessment process	✓		
6. Review ATB Financial's organizational structure	✓		
7. Approve the Business Plan	✓		
8. Approve all major corporate decisions and transactions that exceed thresholds set by the Board or not otherwise approved within ATB Financial's Strategic or Business Plan			✓
9. Review and approve corporate financial objectives and actions, including capital allocations and expenditures, which exceed threshold amounts set by the Board, and delegate limits to committees and management as appropriate			✓
<b>Risk Management and Internal Controls</b>			
10. Approve ATB Financial's Risk Appetite Statement and any enterprise-wide risk appetite framework that sets limits and capacity for risk	✓		
11. Review significant policies, bylaws and practices to ensure compliance with applicable legal and regulatory requirements			✓
12. Approve ATB Financial's annual financial statements, management discussion and analysis disclosure, annual information form and any public announcements containing annual earnings, related financial information, or related financial forecasts of ATB Financial	✓		✓
13. Oversee compliance with applicable audit, accounting and reporting requirements			✓



<b>Pension Governance</b>			
14. Ensure that ATB Financial has appropriate pension governance policies and procedures in place related to its obligations as a plan sponsor and administrator in accordance with applicable legislation and regulations		✓	
<b>Engagement and Public Disclosure</b>			
15. Ensure that ATB Financial has policies and procedures in place to facilitate effective engagement and disclosure, including establishing processes for the Board to receive feedback from stakeholders		✓	
16. Approve all matters which require Board approval as prescribed by the ATB Financial Act and Regulation and ensure such matters are brought to the attention of the Minister as mandated			✓
<b>Governance and Compliance</b>			
17. Establish and maintain appropriate corporate governance principles and guidelines for ATB Financial and any subsidiary of ATB Financial to assist in fulfilling its mandate		✓	
18. Establish such committees as it deems necessary or are required by the ATB Financial Act to assist the Board in carrying out its duties and responsibilities, appoint Board committee members and approve the Committees' respective terms of reference and any amendments thereto, including but not limited to the following committees: a. Audit Committee; b. Risk Committee; c. Governance and Conduct Review Committee; and d. Human Resources Committee The responsibilities and authorities to approve or review matters set out in the respective Committee Terms of Reference are delegated to the applicable Committees.	✓		✓
19. Review and approve any amendments to the Mandate and Roles Document (the "MRD"), and recommend the MRD to the Minister to be renewed, amended or replaced		✓	



20. Review independence standards for the Directors and ensure appropriate structures and procedures are in place to allow the Board to function independently of management	✓		✓
21. Oversee the process for recruitment and reappointment of directors.	✓		✓
22. Oversee the evaluation and review of the performance of the Board, its committees, the Chair and individual Directors and review its composition with a view to the effectiveness and independence of the Board and its members	✓		
23. Review position descriptions of each of the Chair, chairs of each committee and other directors		✓	