

## **MANDATE FOR THE BOARD OF DIRECTORS**

### **1. PURPOSE**

- a) The members of the Board of Directors have the duty to supervise the management of the business and affairs of the Company. The Board, directly and through its committees and the Executive Chairman of the Board shall provide direction to senior management, generally through the Chief Executive Officer, to pursue the best interests of the Company.

### **2. MEMBERSHIP, ORGANIZATION AND MEETINGS**

- a) **General** — The composition and organization of the Board, including: the number, qualifications and remuneration of directors; the number of Board meetings; residency requirements; quorum requirements; meeting procedures and notices of meetings are as established by the *Canada Business Corporations Act* and the by-laws of the Company.
- b) **Independence** — The Board shall establish independence standards for the directors in accordance with Applicable Requirements (as defined below), and, at least annually, shall affirmatively determine the independence of each director in accordance with these standards. A majority of the directors shall be independent in accordance with these standards.
- c) **Access to Management and Outside Advisors** — The Board shall have unrestricted access to the Company's management and employees. The Board shall have the authority to retain external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective compensation of these advisors without consulting or obtaining the approval of any Company officer. The Company shall provide appropriate funding, as determined by the Board, for the services of these advisors.
- d) **Secretary and Minutes** — The Corporate Secretary, his or her designate or any other person the Board requests shall act as secretary of Board meetings. Minutes of Board meetings shall be recorded and maintained by the Corporate Secretary and subsequently presented to the Board for approval.
- e) **Meetings Without Management** — The Board shall, at least twice per year, hold unscheduled or regularly scheduled meetings, or portions of regularly scheduled meetings, at which management is not present.

### 3. FUNCTIONS AND RESPONSIBILITIES

The Board shall have the functions and responsibilities set out below. In addition to these functions and responsibilities, the Board shall perform such duties as may be required by the binding requirements of any stock exchanges on which the Company's securities are listed and all other applicable laws (collectively, the "Applicable Requirements").

#### a) Strategic Planning

- i. **Strategic Plans** — At least annually, the Board shall review and, if advisable, approve the Company's strategic planning process and short-term and long-term strategic plan prepared by management. In discharging this responsibility, the Board shall review the plan in light of management's assessment of emerging trends and opportunities, the competitive environment, risk issues, and significant business practices and products.
- ii. **Business Plans** — The Board shall review and, if advisable, approve the Company's annual business plans.
- iii. **Monitoring** — At least annually, the Board shall review management's implementation of the Company's strategic and business plans. The Board shall review and, if advisable, approve any material amendments to, or variances from, these plans.

#### b) Risk Management

- i. **General** — The Board shall, with the assistance of the Audit Committee, review the factors identified by management in its annual and interim disclosures as principal risks that may affect the Company's business including those that may impact future financial results and review the strategies identified by management to manage these factors.
- ii. **Review of Controls** — The Board shall, with the assistance of the Audit Committee, review the internal, financial, non-financial and business control and information systems that have been established by management and review the standards of corporate conduct that management is applying to these controls.

#### c) Human Resource Management

- i. **General** — At least annually, the Board shall, with the assistance of the Compensation Committee, review the Company's approach to human resource management and executive compensation.

- ii. **Succession Review** — At least annually, the Board shall review the Executive Chairman of the Board, the Chief Executive Officer and the senior management succession plans of the Company.
- iii. **Integrity of Senior Management** — The Board shall, to the extent feasible, satisfy itself as to the integrity of the Chief Executive Officer and other senior management, and that these executive officers create a culture of integrity throughout the Company.

#### d) Corporate Governance

- i. **General** — At least annually, the Board shall review the Company's approach to corporate governance.
- ii. **Governing Documents Review** — At least annually, the Board shall review and assess the adequacy of the Company's organizing documents and by-laws, and the mandate, charters, and the role descriptions for the Board, each Board committee, the Chief Executive Officer and the Executive Chairman of the Board ("the Governing Documents") to determine if amendment is advisable, and if so, approve amendments to the Governing Documents.
- iii. **Performance assessment** — At least annually, the Board shall evaluate the performance of the Board, the individual directors, each Board committee and the Executive Chairman of the Board against their respective mandates and any other criteria the Board considers appropriate.
- iv. **Director Independence** — At least annually, the Board shall evaluate the director independence standards established by the Board and the Board's ability to act independently from management in fulfilling its duties.
- v. **Governance disclosure** — The Board shall prepare, in conjunction with management, corporate governance disclosure for the Company's annual reports and management information circulars.
- vi. **Ethics Reporting** — At least annually, the Board shall review reports provided by management relating to compliance with, or material deficiencies of, the Company's Code of Business Conduct.
- vii. Since there is no nominating committee, the Board should review (i) a process considering what competencies and skills the board as a whole and individual directors should possess and (ii) establish a Board member appointment process.

#### e) Financial Information

- i. **General** — At least annually, the Board shall, with the assistance of the Audit Committee, review the Company's internal controls relating to financial information and reports provided by management on material deficiencies in, or material changes to, these controls.
- ii. **Integrity of Financial Information** — The Board shall, with the assistance of the Audit Committee, review the integrity of the Company's financial information and systems, the effectiveness of internal controls and management's assertions on internal control and disclosure control procedures.

#### f) Communications

- i. **General** — At least annually, the Board in conjunction with the Chief Executive Officer shall review the Company's overall communications strategy, including measures for receiving feedback from the Company's shareholders.
- ii. **Disclosure** — At least annually, the Board shall review management's compliance with the Company's disclosure policies and procedures and Internal Control over Financial Reporting. The Board shall, if advisable, approve material changes to the Company's disclosure policies and procedures.

#### g) Committees of the Board

- i. **Board Committees** — The Board has established the Compensation Committee, the Audit Committee and the Corporate Governance and Nominating Committee. Subject to applicable law, the Board may establish other Board committees or merge or dispose of any Board committee.
- ii. **Committee Mandates** — The Board has approved mandates for each Board committee and shall approve mandates for each new Board committee. At least annually, each mandate shall be reviewed, and, based on recommendations of the Executive Chairman of the Board, approved by the Board.
- iii. **Delegation to Committees** — The Board has delegated for approval or review the matters set out in each Board committee's mandate to that committee.
- iv. **Consideration of Committee Recommendations** — As required, the Board shall consider for approval the specific matters delegated for review to Board committees.

- v. **Board/Committee Communication** — To facilitate communication between the Board and each Board committee, each committee chair shall provide a report to the Board on material matters considered by the committee at the first Board meeting after each meeting of the committee.

#### **4. DIRECTOR ORIENTATION AND EVALUATION**

- a) Each new director shall participate in the Company's initial and any ongoing orientation program and continuing education program.
- b) At least annually, the Board shall evaluate and review the performance of the Board, each of its committees, each of the directors and the adequacy of this mandate.

#### **5. CURRENCY OF THE BOARD MANDATE**

This mandate was last reviewed and approved by the Audit Committee and Board of Directors of TECSYS Inc. on July 5, 2018.

**APPENDIX “A” to the  
Mandate for the Board of Directors  
Guidelines for Director Nomination**

The following guidelines set forth the procedures and criteria used by the Board of Directors (the “**Board of Directors**”) of TECSYS Inc. (the “**Corporation**”) in the identification, evaluation and recommendation of director nominees.

**A. IDENTIFYING AND EVALUATING DIRECTOR NOMINEES**

**1. Board Responsible**

The Board is responsible for, among other duties specified in its mandate, identifying individuals qualified to become members of the Board and its committees, and for election at the next annual meeting of shareholders.

**2. Process for Consideration of Nominees**

- (a) ***Identification of Candidates*** — The Board shall identify candidates for director nominees in consultation with management, through the use of search firms or other advisers, through recommendations submitted by shareholders pursuant to the procedures prescribed by applicable laws or through such other methods as the Board deems to be helpful to identify candidates, including through the business networks of incumbent Board members.
- (b) ***Evaluation Process*** — Once candidates have been identified, the Board shall confirm that the candidates meet all of the qualifications for director nominees set forth in applicable laws and these Guidelines. The Board may gather information about the candidates through interviews, background checks, or any other means that the Board deems to be helpful in the evaluation process. The Board shall then meet as a group to discuss and evaluate the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess; the competencies and skills that the Board considers each existing director to possess; and the competencies and skills each new nominee will bring to the boardroom. The Board shall also consider whether a candidate has any material conflicts of interest with the Corporation. There shall be no difference in the manner by which the Board evaluates director candidates, whether proposed by a shareholder or by another method.
- (c) ***Recommendation of Nominees to Board*** — Based on the results of the evaluation process, and the current composition, skills, experience and diversity of the Board, the Board shall decide upon the selection of nominees for election to the Board.

## **B. DIRECTOR QUALIFICATIONS AND SKILLS**

The Corporation seeks directors who possess the qualifications and skills described in this Section B. Moreover, the Corporation evaluates each individual candidate in the context of the overall composition and needs of the Board with the objective of recommending a group that can best fulfill the duties of the Board as set forth in applicable law and in the charters of the Board and its committees, in order to lead to the success of the Corporation's business and represent shareholder interests using its diversity of experience, competence and skill. The Board will consider these and other qualifications, skills and attributes when recommending candidates as nominees for the Board:

### **3. Board Qualifications**

- (a) ***Independence*** — A majority of the members of the Board shall meet the independence requirements as set out in National Policy 58-201 Corporate Governance Guidelines (“**NP 58-201**”) of the Canadian Securities Administrators (“**CSA**”) and the Toronto Stock Exchange (“**TSX**”) or any governmental or regulatory body exercising authority over the Corporation (each a “**Regulatory Body**”), as in effect from time to time. In any event, an independent director must be free from any relationship that, in the opinion of the Board, would interfere with, or have the appearance of interfering with, the exercise of his or her independent judgment as a member of the Board or of a Board committee, including any conflicts of interest stemming from his or her professional or other affiliations.
- (b) ***Minimum Qualification*** — In addition to the minimum qualifications prescribed by applicable law, the Corporation requires its directors to possess certain minimum qualifications, including substantial or significant business or professional experience or an understanding of finance, marketing, financial reporting, international business or other disciplines relevant to the business of the Corporation.
- (c) ***Diversity*** — The Board will seek to promote an appropriate diversity on the Board of professional background, experience, expertise, perspective, age, gender and ethnicity.
- (d) ***Other Qualities and Skills*** — The Corporation also considers the following qualities and skills in its selection of directors:
  - i. Leadership or substantial achievement in their particular fields;
  - ii. Demonstrated ability to exercise sound business judgment;
  - iii. Policy-making experience;
  - iv. Integrity, high moral and ethical character and business or professional standing that will add to the Board's reputation;

- v. Potential to contribute to the diversity of viewpoint, backgrounds, or experiences of the Board as a whole and the committees thereof;
- vi. Capacity and desire to represent the balanced, best interests of the shareholders as a whole and not primarily a special interest group or constituency;
- vii. Ability to work well with others;
- viii. High degree of interest in the business of the Corporation;
- ix. Dedication to the success of the Corporation;
- x. Commitment to responsibilities of a director;
- xi. International business or professional experience; and
- xii. Such other criteria as the Board shall determine to be relevant.

#### 4. **Committee Qualifications**

- (a) ***Audit Committee*** — All members of the Audit Committee shall meet the independence and other requirements National Instrument 52-110 - Audit Committees and other applicable requirements of the Regulatory Bodies, as in effect from time to time, as well as the requirements set forth in the Audit Committee Charter.
- (b) ***Compensation Committee*** — All members of the Compensation Committee shall meet the independence and applicable requirements of the Regulatory Bodies, as in effect from time to time, as well as the requirements set forth in the Compensation Committee Charter.
- (c) ***Other Committees*** — Members of other committees shall meet the applicable requirements of the Regulatory Bodies and the Board as the Board deems necessary.

#### 5. **Limits on Other Board Memberships and Commitments**

The Corporation expects that a director's existing and future commitments will not materially interfere with such director's obligations to the Corporation. The Corporation recognizes that directors should limit the number of boards on which they serve so that they can give proper attention to each board responsibility. However, the philosophy of the Corporation is not to set an invariant limit on the number of boards on which a director may serve. In the event a director wishes to join the board of another company, it is expected that the director will notify the Board once he or she has determined to accept any invitation to serve on another corporate board or with any governmental advisory or charitable organization.



6. **Incumbents**

For candidates who are incumbent directors, the Corporation takes into consideration the following factors, among others, when considering such individuals as director nominees; such director's past attendance at meetings, participation in and contributions to the activities of the Board and any changes in professional roles and responsibilities. In the event an incumbent director retires, has any change in employer or has any other significant change in professional roles and responsibilities, he or she is expected to report that change to the Board, through the Executive Chairman or the Secretary. The Board shall evaluate the continued appropriateness of board membership under the new circumstances and, if necessary, make a determination with respect to continued Board membership.

7. **Amendments.**

The Board shall review and assess the adequacy of these guidelines periodically, as well as in response to rules promulgated by the Regulatory Bodies. The Corporation will disclose any material changes to these guidelines as required by the Regulatory Bodies and applicable law in the Corporation's SEDAR filings.