

# STACK CAPITAL GROUP INC.

## MANDATE OF THE BOARD OF DIRECTORS

### 1. Statement of Purpose

The Board of Directors (the “**Board**”) is responsible for the stewardship of Stack Capital Group Inc. (“**Stack Capital**”) and for supervising the management of the business and affairs of Stack Capital. Accordingly, the Board acts as the ultimate decision-making body of Stack Capital, except with respect to those matters that must be approved by the shareholders or upon which discretionary authority has been delegated to Stack Capital’s manager (the “**Manager**”). The Board has the power to delegate its authority and duties to committees or individual members, to senior management and to the Manager as it determines appropriate, subject to any applicable law. The Board explicitly delegates to senior management responsibility for the day-to-day operations of Stack Capital, including for all matters not specifically assigned to the Board or to any committee of the Board. Where a committee of the Board, senior management or the Manager is responsible for making recommendations to the Board, the Board will carefully consider those recommendations.

### 2. Board Mandate

The Board members’ primary responsibility is to act in good faith and to exercise their business judgment in what they reasonably believe to be the best interests of Stack Capital. In fulfilling its responsibilities, the Board is, among other matters, responsible for the following:

- exercising its powers and taking whatever actions may be necessary or desirable in order to carry out Stack Capital’s investment objectives, as stated in its articles of incorporation or elsewhere;
- determining, from time to time, the appropriate criteria against which to evaluate performance, and set strategic goals and objectives within this context;
- monitoring performance against both strategic goals and objectives of Stack Capital and the Manager;
- appointing the Chief Executive Officer (“**CEO**”) and other corporate officers of Stack Capital;
- delegating to the CEO the authority to manage and supervise the business of Stack Capital, including making any decisions regarding Stack Capital’s ordinary course of business and operations that are not specifically reserved to the Board under the terms of that delegation of authority;
- determining what, if any, executive limitations may be required in the exercise of the authority delegated to management;
- on an ongoing basis, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and the other executive officers create a culture of integrity throughout Stack Capital;
- monitoring and evaluating the performance of the CEO and the other executive officers against the corporate objectives;
- succession planning;
- participating in the development of and approving a long-term strategic plan for Stack Capital;

- reviewing and approving the business and investment objectives to be met by management and ensuring they are consistent with long-term goals;
- satisfying itself that Stack Capital is pursuing a sound strategic direction in accordance with the corporate objectives;
- reviewing operating and financial performance results relative to established corporate objectives;
- approving an annual fiscal plan and setting targets and budgets against which to measure executive performance and the performance of Stack Capital;
- ensuring that it understands the principal risks of Stack Capital's business, and that appropriate systems to manage these risks are implemented;
- ensuring that the materials and information provided by Stack Capital to the Board and its committees are sufficient in their scope and content and in their timing to allow the Board and its committees to satisfy their duties and obligations;
- reviewing and approving Stack Capital's annual and interim financial statements and related management's discussion and analysis, annual information form, annual report (if any) and management circular;
- overseeing Stack Capital's compliance with applicable audit, accounting and reporting requirements, including in the areas of internal control over financial reporting and disclosure controls and procedures;
- confirming the integrity of Stack Capital's internal control and management information systems;
- approving any securities issuances and repurchases by Stack Capital;
- determining the amount and timing of dividends to shareholders, if any;
- approving the nomination of directors;
- maintaining records and providing reports to shareholders;
- establishing committees of the Board, where required or prudent, and defining their respective mandates;
- approving the charters of the Board committees and approving the appointment of directors to Board committees and the appointment of the Chairs of those committees;
- satisfying itself that a process is in place with respect to the appointment, development, evaluation and succession of senior management;
- adopting a communications policy for Stack Capital (including ensuring the timeliness and integrity of communications to shareholders, other stakeholders and the public and establishing suitable mechanisms to receive shareholder views); and
- monitoring the social responsibility, integrity and ethics of Stack Capital.

### **3. Independence of Directors**

The Board believes that the majority of its members should be independent. For this purpose, a director is independent if he or she would be independent within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, as the same may be amended from time to time. On an annual basis, the Board will determine which of its directors is independent based on the rules of applicable stock exchanges and securities regulatory authorities and will publish its determinations in the

management circular for Stack Capital's annual meeting of shareholders. Directors have an on-going obligation to inform the Board of any material changes in their circumstances or relationships that may affect the Board's determination as to their independence and, depending on the nature of the change, a director may be asked to resign as a result.

#### **4. Board Size**

The Board will periodically review whether its current size is appropriate. The size of the Board will, in any case, be within the minimum and maximum number provided for in the articles of Stack Capital (1 to 10).

#### **5. Committees**

The Board will have an audit committee, and a governance, compensation and nominating committee, the charters of each of which will be as established by the Board from time to time. The Board may, from time to time, establish and maintain additional or different committees as it deems necessary or appropriate.

Circumstances may warrant the establishment of new committees, the disbanding of existing committees or the reassignment of authority and responsibilities amongst committees. The authority and responsibilities of each committee are set out in a written mandate approved by the Board. At least annually, each mandate shall be reviewed and, on the recommendation of the governance, compensation and nominating committee, approved by the Board. Each committee Chair shall provide a report to the Board on material matters considered by the committee at the next regular Board meeting following such committee's meeting.

#### **6. Board Meetings**

##### *Agenda*

The Chairman of the Board is responsible for establishing the agenda for each Board meeting.

##### *Frequency of Meetings*

The Board will meet as often as the Board considers appropriate to fulfill its duties, but in any event at least once per quarter.

##### *Responsibilities of Directors with Respect to Meetings*

Directors are expected to regularly attend Board meetings and Board committee meetings (as applicable) and to review in advance all materials for Board meetings and Board committee meetings (as applicable).

##### *Minutes*

Regular minutes of Board and Board committee proceedings will be kept and will be circulated on a timely basis to all directors and Board committee members, as applicable, and the Chairman of the Board (and to other directors, by request, for review and approval).

##### *Attendance at Meetings*

The Board (or any Board committee) may invite, at its discretion, non-directors to attend a meeting. Any member of management will attend a meeting if invited by the Board or Board committee, as applicable. The Chairman of the Board may attend any Board committee meeting.

### *Meetings of Independent Directors*

After each meeting of the Board, the independent directors may meet without the non-independent directors. In addition, separate, regularly scheduled meetings of the independent directors of the Board may be held, at which members of management are not present. The agenda for each Board meeting (and each Board committee meeting to which members of management have been invited) will afford an opportunity for the independent directors to meet separately.

### *Residency*

Applicable residency requirements will be complied with in respect of any Board or Board committee meeting.

## **7. Communications with Shareholders and Others**

The Board will ensure that there is timely communication of material corporate information to shareholders.

Shareholders and others, including other securityholders, may contact the Board with any questions or concerns, including complaints with respect to accounting, internal accounting controls, or auditing matters, by contacting the Chief Financial Officer of Stack Capital at such address or telephone number designated by Stack Capital from time to time.

## **8. Service on other Boards and Audit Committees**

The Board believes that its members should be permitted to serve on the boards of other public entities so long as these commitments do not materially interfere with and are not incompatible with their ability to fulfill their duties as a member of the Board.

## **9. Code of Conduct**

The Board will adopt a Code of Business Conduct and Ethics (the “**Code**”). The Board expects all directors, officers and employees of Stack Capital and its subsidiaries to conduct themselves in accordance with the highest ethical standards, and to adhere to the Code. Any waiver of the Code for directors or executive officers may only be made by the Board or one of its committees and will be promptly disclosed by Stack Capital, as required by applicable law, including the requirements of any applicable stock exchanges.

Adopted May 10, 2021