

TERMS OF REFERENCE

ESG Advisory Council

ABOUT THE ADVISORY COUNCIL:

The Advisory Council on Environmental, Social and Governance (ESG) was established in November 2001 with a mandate and role to provide advice and guidance to Export Development Canada (EDC) on matters related to evolving best-in-class practices with regard to ESG. The duties of the Council are solely advisory in nature – to act as a sounding board in the formulation of ESG-related procedures and policies. The Advisory Council reports to the President and CEO of EDC.

PURPOSE:

The purpose of the Advisory Council is to provide expert advice and guidance to EDC's President and CEO on ESG-related issues material to EDC. Council members are expected to bring forward perspectives from their experience in government, industry, academia and civil society, and to:

- act as a sounding board on specific ESG-related topics relevant to EDC;
- serve as a challenge function to ensure EDC is considering a wide range of perspectives; and
- provide strategic intelligence and flag ESG trends.

FREQUENCY OF MEETINGS & COMPILATION:

The Advisory Council should meet three times a year, at a convenient locale or by teleconference. These meetings will be scheduled at the beginning of each year, approximately once every four months. In-person meetings will take place over one day; virtual meetings will be scheduled for a maximum of three hours. Members of the Advisory Council will be selected from among, but are not limited to, government; industry and business; and academic and educational institutions; civil society organizations. The compilation of such a council should include appropriate representatives. The Council should not exceed nine member participants, not including EDC members.

EDC members will include:

- the President & CEO of EDC;

- EDC’s Chief Corporate Sustainability Officer;
- EDC’s Vice-President(s), Corporate Sustainability and Responsibility; and
- a representative from the EDC Board of Directors (ex-officio).

MEMBERSHIP CRITERIA:

1. Recognized leader in ESG, including issues related to: • environment • climate change • biodiversity / conservation • cleantech • sustainable development • human rights • rights of Indigenous Peoples • gender • inclusion, diversity and equity • stakeholder engagement • community investment • business integrity • anti-bribery and corruption • transparency • other fields related to ESG
2. Practical exposure / experience in ESG-related issues, including: • industry • business culture and strategy that fosters ESG • engaging with stakeholders
3. Ability to share good / best practices in relation to ESG such as: • strategy • environmental management • ESG reporting, policies / practices • ESG performance measurement • stakeholder engagement • transparency and disclosure • financial crimes • know your customer (KYC)
4. International experience / involvement by way of: • professional experience • research • publications • business practices • affiliations
5. General involvement in, exposure to, or knowledge of international trade, business, or finance by way of: • professional experience • research • publications • business practices
6. Council members should have no potential for conflict with EDC’s mandate, or have other conflicts of interest in undertaking this role.
7. Council members must attend at least two of the three annual meetings to maintain membership. Members not able to participate in a given meeting should provide advance notice.

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Meetings:

- Each meeting will be conducted in accordance with an agenda that EDC will provide in advance thereof.
- Meetings will take place three times a year at a locale that is convenient for the members, or by teleconference.
- Meetings are to be closed to all but Council members, EDC personnel and any invited guests.
- EDC will administer and coordinate all meeting requirements, i.e.: logistical support; prepare pre-meeting briefing materials and post-meeting summary of meeting proceedings, etc.
- EDC personnel will take notes at the meeting and present a Summary of Proceedings to EDC management and to Council members.
- This Summary of Proceedings will form the basis for a report to EDC’s Board of Directors.
- The Summary of Proceedings of Council meetings will be available on EDC’s website.



Chair:

- The Chair of the Advisory Council shall be the President and CEO of EDC. In instances when the Chair is unavailable, the Chief Corporate Sustainability Officer will lead the meetings.
- The Chair will open and close the meetings and ensure that the topics as noted on the meeting agenda are discussed.

Advice on issues:

- The duties of the Advisory Council are solely advisory in nature.
- Council will act as a sounding board for key ESG-related issues relevant to EDC.
- EDC will identify topics for discussion that refer to industry best practice and encourage sharing of mutual experience on key issues such as stakeholder engagement and internal implementation of ESG practices and policies.
- EDC will actively seek input on topics proposed for discussion and will provide as much information as possible regarding topics prior to Council meetings.
- Members of the Council may wish to provide advice on best-in-class practices on new and innovative topics as they arise.

General:

- The Advisory Council shall have no role in the day-to-day management and operations of EDC, and no authority over EDC's activities.
- EDC will take full responsibility for inviting interested and knowledgeable individuals to participate in this Council and to maintain their involvement therein.
- No sub-committees will be struck. Individual Council members may be invited to engage with EDC outside of the Council meetings to provide advice on specific issues where they hold expertise.
- The concept of quorum will not be necessary.
- The Advisory Council will be a vital link between EDC and knowledgeable stakeholders who will provide information on the state of the art as it pertains to ESG practices.
- Advisory Council members may be asked to provide to the Council and management suggested names for participation in the Council, or for presentations on ESG practices and issues.
- The term of Council membership is a minimum of two (2) years with an option to renew for a term of up to a maximum of two (2) years based on the mutual consent of the member and EDC.
- Advisory Council members (except the EDC members) will receive an annual honorarium to be directed to a charity of their choice and shall be reimbursed for all reasonable travel and accommodation expenses incurred in the performance of their duties.