

# Commercial & Stakeholders' Relations Committee Mandate VIA Rail Canada Inc.

## 1. PURPOSE

The Board of Directors (“Board”) has delegated to the Commercial & Stakeholders’ Relations Committee the responsibility for oversight and monitoring of the following:

- 1.1 the Corporation’s communication strategy to ensure that it supports the strategic and commercial objectives of the Corporation and to maintain positive and productive relationships with all the Corporation’s stakeholders;
- 1.2 the Corporation’s commercial and socio-economic value proposition statement in support of its strategic objectives;
- 1.3 any key modifications to the service offering which may have a material impact on the Corporation’s value proposition;
- 1.4 key corporate reports including the Corporation’s Annual and Quarterly Reports along with the Sustainable Mobility Reports;
- 1.5 the standards of integrity and behaviour adopted by the Corporation; and
- 1.6 the risk identification, evaluation and treatment related to the topics listed above.

The term “stakeholder” shall include any group or individual who can affect, or who can be affected by, the Corporation’s commercial activities or operations. They include, but are not limited to, the Corporation’s Shareholder, its customers, employees, contractors, business partners, competitors, regulators, communities, indigenous groups, groups representing people with disabilities, advocacy groups, governments and non-government organizations.

## 2. COMPOSITION

- 2.1 The Committee shall be appointed by the Board and consist of at least three (3) directors of the Corporation.
- 2.2 The Chairperson of the Committee shall be appointed by the Chairperson of the Board.
- 2.3 It is desirable that the Chairperson of the Committee has knowledge and experience in dealing with various types of stakeholders.

- 2.4 It is desirable that at least one other member of the Committee has knowledge and/or experience in marketing communications, government relations and/or public relations.
- 2.5 The Chairperson of the Board and the President & Chief Executive Officer are ex officio members of the Committee and may attend Committee meetings at their discretion.
- 2.6 The membership of the Committee as well as the chairpersonship shall be reviewed from time to time at the discretion of the Chairperson of the Board.

### 3. OPERATING PRINCIPLES AND PROCEDURES

- 3.1 **Chairpersonship:** The Chairperson of the Committee shall preside at all meetings of the Committee.
- 3.2 **Absence of Chairperson of the Committee:** Should the Chairperson be absent or unable or refuse or fail to act, the members present may choose a chairperson from among their number unless the Chairperson has already appointed one of the directors to act as the chairperson for this specific meeting.
- 3.3 **Quorum:** A majority of members of the Committee shall constitute a quorum.

In the event any Committee member declares a conflict of interest with regards to any one or more matters under consideration by the Committee, such Committee member will not attend that portion of the meeting dealing with such matter(s) and the foregoing quorum requirement will be reduced by one (1) or more if many members are in conflict with regards to any decision or recommendation made with respect to such matter(s).

- 3.4 **Voting:** A matter to be recommended for approval at a meeting of the Committee shall be decided by consensus. If no consensus is reached in the opinion of the Chairperson of the Committee, the Chairperson of the Committee may call for a vote and such matter shall then be decided by a majority of the votes cast. In the event of an equality of votes, the members shall attempt to resolve the matter by further discussion; however, in the absence of agreement, the Chairperson of the Committee has a casting vote.
- 3.5 **Frequency of Meetings:** The Committee shall meet at least four times annually, or more as required.
- 3.6 **In camera session:** At each Committee meeting, the Chairperson of the Committee shall determine if an in camera session is necessary.
- 3.7 **Supplemental Attendees:** Any person who may possess information that would be useful to the Committee in carrying out its duties may be invited by the Chairperson of the Committee to attend any meeting of the Committee.

- 3.8 Reporting:** The Chairperson of the Committee shall report on its activities to the Board after each Committee meeting.
- 3.9 Review of Mandate:** The Committee shall review and assess annually the adequacy of its mandate in collaboration with the Chairperson of the Board, the President & Chief Executive Officer and the Corporate Secretary.
- 3.10 Self-assessment:** The Committee shall regularly conduct a self-assessment of its performance and the Chairperson of the Committee shall discuss the results with the Chairperson of the Board.
- 3.11 Outside Advisors:** Subject to approval of the Chairperson of the Board, the Committee has the authority to engage outside advisors including, but not limited to, legal counsels, consultants and other experts, as needed, to review any matter under its responsibility.
- 3.12 Workplan:** The Committee shall, in consultation with management, develop an annual workplan responsive to the Committee's responsibilities and duties.

#### **4. RESPONSIBILITIES AND DUTIES**

##### **4.1 Communication Strategy with Various Stakeholders**

The Commercial & Stakeholders' Relations Committee shall review and assess:

- a) the Corporation's government relations strategy with federal government officials and other key players in charge of providing the public policy direction of the Corporation;
- b) the Corporation's internal and external communication strategy in order to generate stakeholders' engagement and obtain the social license required to operate and deploy new strategic initiatives;
- c) the mechanisms in place to consult with key stakeholders and special interest groups to ensure rigor around proofing and social acceptability of the Corporation's strategic initiatives; and
- d) the mechanisms in place to incorporate stakeholders' useful feedback in ongoing commercial activities and operations in order to improve decision making and operational efficiencies and ultimately gain support from various stakeholders in new customer experience concepts and initiatives.

##### **4.2 Definition of Commercial & Socio-Economic Value Proposition & Brand Management**

The Commercial & Stakeholders' Relations Committee shall understand how the Corporation's brand is perceived in the market and shall review and assess:

- a) the commercial and socio-economic value proposition statement elaborated by management to differentiate the Corporation's products and services from those of competitors while finding the appropriate trade-offs between its commercial objectives and its public policy objectives; and
- b) the strategic direction, broad market developments and new initiatives in the passenger transportation industry and how this may impact the value proposition statement defined by the Corporation.

#### **4.3 Modifications to Service Offering**

The Commercial & Stakeholders' Relations Committee shall review and recommend for approval to the Board any key modifications to the service offering including but not limited to the abandonment of services.

The Commercial & Stakeholders' Relations Committee shall review and assess:

- a) the Corporation's brand, marketing and customer experience objectives and monitor progress against plans;
- b) the business cases for key revenue generation initiatives including but not limited to major partnerships, marketing, service design, revenue management & network planning initiatives and including those that may be submitted to the Major Projects Committee;
- c) the marketing plans by which new and/or revamped products and/or services will be introduced to key stakeholders and deployed in the market;
- d) the exit strategies for key existing products and/or services to be abandoned and the communication strategy associated to such strategies; and
- e) the post project reviews of significant commercial improvements and initiatives.

The Commercial & Stakeholders' Relations Committee shall also provide direction and advice to management in relation to customer interface initiatives and programs including, but not necessarily restricted to, the areas of public transport, customer experience initiatives, segmentation, insight and analysis, satisfaction levels, customer service metrics and channel development.

#### **4.4 Corporate Reporting**

The Commercial & Stakeholders' Relations Committee shall review and recommend for approval to the Board:

- a) the Annual and Quarterly Reports (except the financial statements, the MD&A and the certification), along with the press release related thereto;

b) the Sustainable Mobility Reports.

#### 4.5 Standards of Integrity & Behaviour

The Commercial & Stakeholders' Relations Committee shall review and assess:

- a) the 'tone at the top' established by the President & Chief Executive Officer and the executive management committee in terms of the example that is set with respect to integrity and ethics;
- b) the mechanisms in place to ensure that clear expectations and standards for integrity and ethical behaviour are communicated amongst the organization;
- c) practices for dealing with conflicts of interest;
- d) procedures for the receipt, retention and treatment of complaints or confidential and anonymous submissions received from employees and/or third parties regarding ethical matters;
- e) the incidents of material violations to the code of conduct and ethical standards; and
- f) the report of the Corporation's Compliance Officer on complaints or submissions regarding the disclosure of wrongdoing.

#### 4.6 Risk Assessment

The Commercial & Stakeholders' Relations Committee shall periodically review, identify, evaluate and assess the treatment of risks to which the Commercial, Communications and Government Relations functions are exposed, and provide its input to the Board, including risks related to:

- a) the maintenance of positive and productive relationships with all stakeholders in order to obtain the social license required to deploy new strategic initiatives, and;
- b) the development of the value proposition statement and the choice of the appropriate trade-offs between the Corporation's commercial objectives and its public policy objectives in a context where the Corporation's mandate has not been clearly defined by the Shareholder.