

High Frequency Rail Committee Mandate

VIA Rail Canada Inc.

1 PURPOSE

The Board of Directors (“Board”) has delegated to the Committee on High Frequency Rail (the “Committee”) the responsibility for oversight and monitoring of the following:

- 1.1** the development and implementation of a practical and achievable strategy to transform passenger rail service for Canadians in the Quebec City – Windsor Corridor by connecting more communities with more departures, improved schedules, shorter travel times, better on-time performance and new trains (the “HFR Project”);
- 1.2** the Corporation’s communication strategy related to the HFR Project to ensure that it supports the strategic and commercial objectives of the Corporation and to maintain positive and productive relationships with all of the Corporation’s stakeholders; and
- 1.3** the risk identification, evaluation and management related to such topics.

The term “HFR Project” shall include the creation of new routes dedicated to passenger transportation between Toronto, Ottawa, Montreal and Quebec City along with the optimization of existing routes in the Quebec City – Windsor Corridor.

In the context of the HFR Project, the term “stakeholder” shall include any group or individual who can affect, or who can be affected by, the activities or operations of the HFR. 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 member of the Committee has knowledge and/or experience in government relations and/or public relations.

- 2.5 It is desirable that at least one member of the Committee has knowledge and/or experience with complex and large infrastructure projects.
- 2.6 It is desirable that at least one member of the Committee has experience in project risk management.
- 2.7 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.
- 2.8 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 on a quarterly basis.
- 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 Work plan:** The Committee shall, in consultation with management, develop an annual work plan responsive to the Committee's responsibilities and duties.

4 DUTIES AND RESPONSIBILITIES

4.1 HFR Project

The role of the Committee is to conduct oversight of the HFR Project in order to facilitate greater review of the development of such project by the Board. In that regard, the Committee may take any reasonable measure to ensure that the HFR Project emphasizes the Corporation's strategic goals, that appropriate due diligence is conducted and reputation preserved, while successfully advancing the development and implementation of the HFR Project. Among other things, the role of the Committee may include the following responsibilities depending on the circumstances:

- (a) assisting the Board in understanding the development and implementation of the HFR Project;
- (b) overseeing the development of the HFR Project and the readiness of the organization to move forward in every step of the HFR Project;
- (c) understanding the implications of potential pre-procurement activities such as (i) environmental assessment work, if any, (ii) contracting with external advisors, (iii) third party agreements, (iv) property acquisitions, (v)

development of a procurement framework, and (vi) consultations with key stakeholders, amongst other items;

- (d) overseeing the Corporation's government relations strategy as well as the Corporation's internal and external communication strategy in order to foster stakeholders' engagement and ensure rigour around proofing and social acceptability of the HFR Project;
- (e) monitoring the implementation of an appropriate internal organizational structure to ensure the progress of the HFR Project;
- (f) taking reasonable measures to ensure the management of the Corporation maintains free and open communications with the Committee, the Board and any governmental oversight committee that could be created over time by the Government of Canada, regarding any aspect of the HFR Project; and
- (g) making sure that the management of the Corporation puts in place practices, procedures and policies to ensure the HFR Project is implemented using best practices and in compliance with the Corporation's obligations.

4.2 Budget

In satisfying its role, the Committee will review progress of the annual High Frequency Rail budget including implementation of the project management structure and reports on actual results, variance in the budget and success in meeting goals.

4.3 Risk Assessment

The Committee shall periodically review, identify, evaluate and manage the risks to which the HFR Project may be exposed, and provide its input to the Board, including risks related to:

- (a) the alignment of the HFR Project with the desired outcomes of the Corporation's strategic plan;
- (b) the establishment of a positive and productive relationships with all stakeholders in order to facilitate the acceptance and deployment of the HFR Project.