

1. INFORMATION

The following documents constitute the benchmarks against which review of the Chair and the CEO takes place:

- 1.1 The position descriptions for the Chair and the CEO, which are found in Appendix C;
- 1.2 The strategic plan;
- 1.3 The annual budget and business plan;
- 1.4 The corporate balanced score card;
- 1.5 Any specific targets and goals agreed to the Board at the beginning of the year but not included in the above material; and
- 1.6 With respect to the CEO, his or her corporate goals and objectives, individual, business unit and corporate balanced scorecards, and personal performance report.

The Human Resource and Compensation Committee will also evaluate the performance of the CEO using the performance management tools that are used by the Company to evaluate the performance of its employees, and in particular:

- a) The personal value-add assessment model (PVAAM), which is used to assess and rate the CEO's achievements of results, leadership skills, retention criticality and value to achieving strategy; and
- b) The strategic staffing model, which is used to assess the development of the CEO.

2. THE CHAIR AND THE CEO'S SELF-APPRAISAL

- 2.1 The Board needs to know how each of the Chair and the CEO evaluate their performance against the objectives established above and what the Chair and the CEO see as the priorities for the coming year.
- 2.2 This self-appraisal will be written and may be in point form.
- 2.3 The self-appraisal of the CEO will be discussed by him or her with members of the Human Resource and Compensation Committee in advance of his or her performance assessment by that Committee.

3. DIRECTOR INVOLVEMENT

- 3.1 Every director will be encouraged to provide his or her own assessment of the Chair. Every non-management director will be encouraged to provide his or her own assessment of the CEO's performance. The chair of the Human Resources and Compensation Committee will provide a format for director input with respect to the CEO. The Corporate Governance Committee will review the Chair through its Director Evaluation Process. See Appendix L – Board and Director Evaluation Process.

APPENDIX K – CHAIR AND CEO REVIEW PROCESS

- 3.2 The assessment of directors with respect to the CEO will be consolidated by the chair of the Human Resources and Compensation Committee into a coherent, prioritized statement from the Board to the CEO.
- 3.3 All non-management directors will have an opportunity to comment on the content of the above statement at which point the chair of the Human Resources and Compensation Committee will discuss the statements with the CEO.
- 3.4 The assessment of directors with respect to the Chair will be consolidated by the chair of the Corporate Governance Committee, with the Corporate Secretary's assistance, into a coherent, prioritized statement from the Board.
- 3.5 All directors will have an opportunity to comment on the content of the above statement at which point the chair of the Corporate Governance Committee will discuss the statements with the Chair.
- 3.6 The chair of the Human Resources and Compensation Committee will report to the non-management directors the results of his or her discussions with the CEO. The chair of the Corporate Governance Committee will report to the directors the results of his or her discussions with the Chair.