

Technology Committee

The Board of Directors delegates certain roles and responsibilities, as set out in the following mandate, to the Technology Committee. The Committee oversees the various components of the Bank's technology program. Among other things, it reviews the Bank's technology strategy and oversees technology risks, including cybercrime.

Among the activities it performs as part of its mandate, the Committee:

- **Ensures** that Management puts in place a technology program that meets the needs of the Bank and its clients and includes the development of tools and the promotion of best practices.
- **Ensures** that it is informed about any situation that could jeopardize the Bank's technological systems.
- **Reviews** significant technology investments.



1 Role and responsibilities

1.1 Technology strategy

- The Committee reviews the Bank's technology strategy and sees that it responds to the Bank's strategic vision.
- It is made aware of reports that discuss the deployment of the technology strategy across the Bank.

1.2 Technology investments

- The Committee reviews the annual budget and resources allocated to technology, including technology initiatives and digital development.
- It periodically reviews the envelope of technology investments that have a significant impact on the Bank.

1.3 Technology assets

- The Committee reviews the management of operations and technology assets, including technology tools, as well as major outsourcing agreements.
- It monitors that management ensures technology assets are used efficiently, profitably and safely.

1.4 Transformation and technological projects

- The Committee monitors the execution of major technological projects related to the Bank's transformation plan and technology and digital strategy.
- It reviews reports to assess the progress of major projects.

1.5 Management of technological risks

- The Committee oversees the management of technology risks, which include cybersecurity, privacy, data collection, hosting and processing, disruption, obsolescence and workforce.

- It reviews reports that assess the Bank's exposure to these risks versus established limits and the strength of the technology program.

1.6 Cyber security

- The Committee reviews the effectiveness of the cyber security program by ensuring that identification, protection, detection and response measures are in place.
- It reviews the Bank's cyber resiliency practices, including cyber security crisis preparedness, incident response and disaster recovery plans.
- It obtains assurance from management that employees are adequately trained in cyber security.
- It is also informed of privacy breaches that have a significant impact on the Bank.

1.7 Technology watch

- The Committee keeps abreast of emerging technologies, trends and innovations in the marketplace and assesses their impact on the Bank's strategic plans.
- It reviews analyses and lessons learned from incidents in the marketplace to assess the soundness of the Bank's practices and, where appropriate, to strengthen them.

2 Powers

2.1. Hiring independent external consultants

- The Committee may hire independent counsel or other external consultants to assist it in carrying out its responsibilities.
- The Committee sets the compensation of its consultants. The Bank provides the necessary funds to defray the costs of these consultants' services.

2.2. Investigating and having access to books, records, facilities, officers and employees

- The Committee may investigate any matter it deems relevant. In conducting its investigation, it may have full access to the books, records, facilities, officers and employees of the Bank.

2.3. Delegating powers to a sub-committee

- The Committee may, at its discretion, appoint a sub-committee to consider any matter covered by this mandate.

2.4. Communicating directly with officers and employees

- The Committee may communicate directly with the Executive Vice-President – Information Technology and Operations, the Executive Vice-President – Risk Management, the Chief Information Security Officer, the Chief Privacy Officer and any other officer or employee of the Bank.

2.5. Performing any duties assigned to it or required by law

- The Committee performs any duty required by applicable legislation or assigned to it by the Board from time to time.
- The Committee submits to the Board all recommendations it deems appropriate on matters within its purview.

2.6. Continuing education

- The Committee stays informed of legislative and regulatory changes with respect to risk management.
- The Committee informs the Board of such changes or new requirements.

- In order to keep up to date on all matters covered by its mandate, the Committee members participate in information sessions on topics that are relevant to them.

3 Composition

3.1 Composition of the Committee

- Constituted by the Board and composed of Board Directors.
- Minimum of three members. Each member must have a good understanding of technology issues or be able to acquire the necessary knowledge or expertise within a reasonable period of time after appointment.
- Members are appointed by the Board.
- A Chair, appointed by the Board from among the Committee members.
- A Secretary, who is the Secretary of the Bank, an Assistant Secretary or such other person as the Secretary of the Bank may designate.
- The composition of the Committee is reviewed annually.

3.2 Chair of the Committee

- The duties of the Chair of the Committee are set out in the Committee's Mandate. The Chair of the Committee may ask the Chair of the Board to have certain matters under the Committee's responsibility referred to the Board.
- If the Chair cannot be present, the Committee will select a Chair from the Committee members present at that meeting or ask the Chair of the Board to chair the meeting.

3.3 Selection criteria for Committee members

Be independent

- Each member must be independent as defined by the Canadian Securities Administrators.

3.4 Term of mandate for Committee members

Duration

Each member holds office until their successor is appointed or until they:

- Resign
- Are dismissed
- No longer serves as a Board Director

Filling a vacancy

- Any vacancy on the Committee is filled by the Board as it deems appropriate.
- If the Board does not appoint a new member and the Committee has the minimum number of members required, the decisions of the Committee are valid.

4. Meetings

4.1. Dates of meetings

Regular meetings scheduled in advance

- At least one meeting per quarter.
- Dates, times, purposes and locations of meetings are set in advance by the Board. This information is sent to members annually. No other notice is sent.

Unscheduled meetings called during the year (as needed)

Who may call them

- Unscheduled meetings may be called by:
 - ✓ The Chair of the Committee
 - ✓ Any other Committee member
 - ✓ The Chair of the Board
 - ✓ The President and Chief Executive Officer
 - ✓ The Executive Vice-President – Technology and Operations

Date, time and location of such a meeting

- The date, time, purpose and location of the meeting are sent by any means of communication, without any required additional notice. The notice also states the purpose of the meeting.

Notice of meeting required barring exceptions

- *24-hour notice:* Members must be advised about an unscheduled meeting no less than 24 hours before the time and date set for the meeting.
- *Waiver of notice:* The presence of a member at a meeting constitutes a waiver of this notice of meeting, except if this member is present to specifically oppose the review of any issue, claiming that the meeting was not called in due form.
- *Exception No. 1 – Two-hour notice:* The notice may be sent two hours in advance if there is an emergency called by the Chair of the Board, the Chair of the Committee or the President and Chief Executive Officer.
- *Exception No. 2 – Without notice:* An unscheduled Committee meeting may be held without notice when all Committee members are present or when the absent members provide a written waiver of notice of the meeting.

Exceptional meetings of the Board to review matters of interest to the Committee

- The Committee Chair may call a meeting of the Board to discuss matters of interest to the Committee

4.2. Attendance in person or remotely

- Meetings may be held by telephone or via any other means that enable all members to communicate with each other adequately and simultaneously. The person participating remotely is presumed to be in attendance.

4.3. Individuals who can be invited to meetings

President and Chief Executive Officer

- He or she may attend every meeting of the Committee.

Chair of the Board of Directors

- He or she may attend every meeting of the Committee

Any other person invited by the Committee

- They can attend all or part of the meeting, based on what has been agreed to with the Committee.

In camera meeting

- Part of the meeting must always take place in the absence of the President and Chief Executive Officer or any other Bank officer.

4.4. Minimum number of members to hold a meeting of the Committee (quorum)

- A majority of the Committee members must be present. If a member is temporarily absent from a meeting because the topic discussed puts them in a conflict of interest, they will be considered to be present for the meeting (subsection 182(3) of the Bank Act).

- Not enough members present for quorum? The Committee Chair can ask the Chair of the Board to act as a member of the Committee for this meeting and give them voting rights unless the Chair of the Board is already a Committee member.

4.5. Vote

- All decisions to be made by the Committee must be voted on.
- Majority vote: The decisions voted on by the Committee must be approved by a majority vote of the members present.
- Unanimous vote if the meeting only includes two members: If the Committee is composed of three members and only two members attend a meeting, the decisions to be voted on must be passed unanimously.

4.6. Minutes of meetings

- **Minutes:** The secretary is responsible for drafting the minutes after each Committee meeting. These must be approved by the Committee members before being filed in the record of minutes. These minutes are provided for information purposes to all directors at a subsequent Board meeting.
- **Oral report of the Chair to the Board:** The Committee Chair must present an oral report on the deliberations and recommendations of the Committee at the next Board meeting.