

TERMS OF REFERENCE FOR THE PRESIDENT

1.0 INTRODUCTION

- 1.1 These Terms of Reference outline the personal and professional characteristics required of the President of ABCRC. The President shall mean the person appointed by the Board to serve as the most senior operating officer of ABCRC. These Terms of Reference are used as the basis for evaluating the President's performance and serve as a model for establishing the general attributes and expectations in screening and selecting suitable candidates.
- 1.2 The President is charged with the leadership and management of ABCRC in an ethical, responsible and sustainable manner and is responsible for the effectiveness and fiscal wholeness of ABCRC. The President reports to and is answerable to the Board. The President operates within a framework set by the Board and functions as the principal representative of ABCRC to business and industry, the community and various levels of government. The President is the official spokesman for ABCRC. All Board authority delegated to staff is delegated through the President so that all authority and accountability of staff, as far as the Board is concerned, is the authority and accountability of the President.

2.0 DEFINITIONS

In these Terms of Reference, the following terms have the meaning ascribed to them:

- 2.1 "ABCRC" means Alberta Beverage Container Recycling Corporation.
- 2.2 "Act" means the *Business Corporations Act* (Alberta).
- 2.3 "Board" means the board of directors of ABCRC.
- 2.4 "Board Chair" means the board chair of ABCRC appointed by the Board.
- 2.5 "Committees" mean all committees of the Board, including the Governance Committee, the Audit Committee, the Public Affairs and Communications Committee and ad-hoc committees established by the Board from time to time, and "Committee" refers to any one of them, as applicable.
- 2.6 "Committee Chairs" means all chairs of the Committees, and "Committee Chair" refers to any one of them, as applicable.
- 2.7 "Common Collection System" means the Alberta collection system that collects and processes all non-refillable beverage containers.
- 2.8 "Directors" mean members of the Board.
- 2.9 "Shareholders" mean the beneficial holders of all of the issued and outstanding shares in the capital of ABCRC.

3.0 INTERPRETATION

In these Terms of Reference, except if defined in Section 2.0 or the context does not permit:

- 3.1 words and expressions defined in the Act have the meaning given to them in the Act;
- 3.2 words importing the singular include the plural and vice versa; and
- 3.3 words importing gender include masculine, feminine and neuter genders.

4.0 GENERAL MATTERS

Broadly speaking, the President has three fundamental elements to keep in mind:

4.1 Honesty and Good Faith

The Board requires the President to act honestly and in good faith with a view to the best interests of ABCRC. To meet this standard of care, the President must:

- 4.1.1 Act in the best interests of ABCRC and not in the best interests of some special interest group or constituency or in his own self-interest;
- 4.1.2 Not take advantage personally of opportunities that come before the President in the course of performing his corporate duties;
- 4.1.3 Disclose to the Board any personal interests that he holds that may conflict with the interests of ABCRC; and
- 4.1.4 Be mindful of the confidential nature of information disclosed and respect ABCRC's privacy policies.

4.2 Skillful Management

The Board requires that the President will exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in similar circumstances. This means:

- 4.2.1 The standard of behavior expected of the President will depend upon the particular qualities or characteristics he brings to ABCRC in relation to the particular matters under consideration;
- 4.2.2 The President is accountable to the Board for ABCRC's achievement of the approved ABCRC objectives, plans and actions including capital plans (goals and objectives) and non-violation of executive limitations, as defined by the Board; and
- 4.2.3 The President must be proactive in the performance of his duties by:
 - 4.2.3.1 attending Board meetings;

- 4.2.3.2 attending Committee meetings as and when he and/or a Committee Chair feels it is appropriate;
- 4.2.3.3 attending meetings among leaders of the beverage container recycling industry in Alberta, particularly where the attendance of the respective presidents of ABCRC, the Beverage Container Management Board and the Alberta Bottle Depot Association has been requested;
- 4.2.3.4 participating in the stewardship of the Common Collection System in a meaningful way; and
- 4.2.3.5 being vigilant to ensure ABCRC is being properly managed and is complying with all applicable laws and regulations, bylaws approved by the Beverage Container Management Board, ABCRC's bylaws and policies and ABCRC's contractual obligations.

4.3 Best Interests

- 4.3.1 The President must always act in the best interests of ABCRC, as he sees those best interests.
- 4.3.2 The President will make decisions so as to:
 - 4.3.2.1 ensure transparency and accountability;
 - 4.3.2.2 minimize the cost of operating the Common Collection System;
 - 4.3.2.3 promote and encourage effective stewardship of the Common Collection System;
 - 4.3.2.4 strive for continuous improvement in operations;
 - 4.3.2.5 maintain a safe and healthy environment for employees;
 - 4.3.2.6 provide a culture of honesty and integrity; and
 - 4.3.2.7 ensure each container type (material/size) is self-funding.

5.0 STANDARD OF BEHAVIOUR ESTABLISHED BY THE BOARD

To execute the President's responsibilities, the incumbent must possess certain characteristics and traits. The Board has established the following standards for the President:

5.1 Board Activity

As a resource to the Board, the President will:

- 5.1.1 demonstrate high ethical standards and integrity in his personal and professional dealings, and be willing to act on – and remain accountable for – Board decisions;

- 5.1.2 ensure the Board has access to reports that allow it to feel reasonably assured of ABCRC's performance;
- 5.1.3 provide wise, thoughtful counsel on a broad range of issues and develop the depth of knowledge to understand and question the assumptions upon which the strategic and business plans are based, and to form an independent judgment as to the probability that such plans can be achieved;
- 5.1.4 advise the Board Chair or the Directors in advance of introducing significant and previously unknown information at a Board meeting;
- 5.1.5 as necessary and appropriate, communicate with the Board Chair and with the Directors between meetings;
- 5.1.6 demonstrate a willingness and availability for individual consultation and engage in such consultation with the Board Chair or Directors; and
- 5.1.7 be a positive force, using abilities and influence constructively.

5.2 **Preparation and Attendance**

To enhance the effectiveness of Board and Committee meetings that he is asked to attend, the President will:

- 5.2.1 prepare for such meetings by reading the reports and background materials provided for the meeting;
- 5.2.2 maintain an excellent attendance record at such meetings; and
- 5.2.3 provide the Board or Committees information necessary for decision making.

5.3 **Communication**

A President who values Board and team performance over individual performance, and who possesses respect for others, facilitates superior Board performance. Communication is fundamental to Board effectiveness and therefore the President will:

- 5.3.1 participate fully and frankly in the deliberations and discussions of the Board;
- 5.3.2 demonstrate an openness to others' opinions and the willingness to listen; and appreciate that this quality ranks as highly as the ability to communicate persuasively;
- 5.3.3 approach others assertively, responsibly and supportively, and be willing to raise tough questions in a manner that encourages open discussion;
- 5.3.4 establish an effective, independent and respected presence and a collegial relationship with the Directors; and
- 5.3.5 focus inquiries on issues related to strategy, policy and results rather than issues relating to the day-to-day management of ABCRC.

5.4 **Committees**

In order to assist Committees in being effective and productive, the President will:

- 5.4.1 participate in Committees where the Committee Chair determines it is appropriate;
- 5.4.2 understand the process of Committee work, and the role of management and staff supporting Committees; and
- 5.4.3 establish an effective, independent and respected presence and a collegial relationship with Committee members.

5.5 **Industry and Corporate Knowledge**

Recognizing that decisions can only be made by being well-informed, the President will:

- 5.5.1 become very knowledgeable about the Common Collection System, understanding that the role of the President is to be a leader in the beverage container recycling industry in Alberta;
- 5.5.2 participate in orientation and development programs developed by ABCRC from time to time; and
- 5.5.3 maintain a current understanding of the legislative, business, social and political environments within which ABCRC operates.

6.0 **SPECIFIC RESPONSIBILITIES**

The President will provide day-to-day leadership and management of ABCRC in an efficient, cost-effective and fiscally-responsible manner.

6.1 **Planning**

The President will provide to the Board:

- 6.1.1 annual strategic and capital plans with both operating and capital budgets for approval by the Board;
- 6.1.2 quarterly performance updates and evaluation of performance as compared to plan; and
- 6.1.3 recommendations on container recycling fees.

6.2 **Operating**

The President will be responsible for:

- 6.2.1 providing strong leadership in the recruitment and development of qualified resources, including staff, to achieve the objectives of ABCRC;

- 6.2.2 the day-to-day relationship with Beverage Container Management Board;
- 6.2.3 the day-to-day relationship with the depots and the Alberta Bottle Depot Association;
- 6.2.4 the day-to-day relationships with other stakeholders;
- 6.2.5 facility management, including the negotiation and management of leases for space and equipment, contract services, utilities and insurance; and
- 6.2.6 the negotiation and administration of all contracts and agreements.

6.3 **Government Relations**

The President will, in accordance with Board policy, maintain an effective and productive relation with all levels of government as well as the Beverage Container Management Board.

The foregoing is a non-exhaustive list, and the President may, in addition, perform such other duties and functions as may be necessary or appropriate in the circumstances, within the authority delegated by the Board.