



## **BANK OF MONTREAL**

### **BOARD CHAIR POSITION DESCRIPTION**

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The Board Chair is responsible for leading the Board in fulfilling its duties under its Mandate and acting as an advisor to the Chief Executive Officer.

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#### **PART I DUTIES**

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The Board Chair will perform the duties as set out in the Board Mandate, or otherwise delegated by the Board or the Governance and Nominating Committee, and such other duties as may be necessary or appropriate, including:

##### **1.1 Functioning of the Board**

- 1.1.1 chairing all Board meetings and *in camera* sessions of the Board and establishing appropriate meeting procedures;
- 1.1.2 setting the agenda for Board meetings in consultation with the Chief Executive Officer and the Corporate Secretary, based on input from directors;
- 1.1.3 ensuring the Board has adequate resources, including the appropriate flow of information and reviewing the adequacy and timing of materials;
- 1.1.4 providing leadership to the Board in overseeing strategy and supervising management's progress against achieving the Bank's strategic goals;
- 1.1.5 monitoring Board committees in carrying out and reporting responsibilities delegated by the Board;
- 1.1.6 facilitating a candid and full discussion of all key matters that come before the Board, and ensuring that sufficient time is allotted during Board meetings for this, and ensuring that the independent directors have adequate opportunities to meet to discuss matters without management present and that decisions are made on a sound and well-informed basis;
- 1.1.7 providing input to the Governance and Nominating Committee on recommendations to the Board for nomination of new directors and Board committee chairs, and on succession plans for the Board Chair and committee chair positions;
- 1.1.8 serving as a member of all Board committees except as otherwise determined by the Board;
- 1.1.9 encouraging an atmosphere of openness and trust and maintaining a cohesive group with a shared understanding of the Bank's Purpose without losing diversity of opinion and objectivity; and

- 1.1.10 facilitating the ongoing formal and informal communication with and among directors, and acting as a sounding board for the independent directors.

## **1.2 Management Relations**

- 1.2.1 maintaining on-going and active communications, on behalf of the Board, with the Chief Executive Officer and other senior executives;
- 1.2.2 overseeing, in conjunction with the Human Resources Committee, the development of the Bank's succession plans for senior executives; and
- 1.2.3 in conjunction with the Human Resources Committee, reviewing the Chief Executive Officer's performance targets and objectives and their assessments.

## **1.3 Shareholder Relations**

- 1.3.1 chairing all annual and special meetings of the shareholders; and
- 1.3.2 facilitating communications between the Board and its shareholders.

## **1.4 Liaison Role**

- 1.4.1 acting, as necessary, as liaison between the Board and the Bank's stakeholders;
- 1.4.2 meeting with representatives of the Bank's regulators, as required, including the Office of the Superintendent of Financial Institutions Canada ("OSFI"); and
- 1.4.3 promptly notifying OSFI of substantive issues affecting the Bank that senior management has not otherwise, to their knowledge, communicated to OSFI.

## **1.5 Leading New Director Integration**

- 1.5.1 inviting Board approved candidates to join the Board as requested by the Governance and Nominating Committee; and
- 1.5.2 acting as liaison between the candidate and the Board.

## **1.6 Evaluating Board Effectiveness**

- 1.6.1 in conjunction with the Governance and Nominating Committee, evaluating Board effectiveness and suggesting improvements;
- 1.6.2 initiating performance discussions with individual directors when appropriate or when requested by the Governance and Nominating Committee;
- 1.6.3 meeting with directors annually on a one-on-one basis to assess areas where the Board and its committees can operate and individual directors can contribute more effectively; and
- 1.6.4 annually establishing objectives for the Board and for themselves and reviewing such objectives with the Governance and Nominating Committee prior to soliciting Board approval.

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## **PART II GENERAL**

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- 2.1 The Board Chair will be: (i) a member of the Board; and (ii) “independent” for the purposes of applicable Canadian and United States securities laws, the rules of the New York Stock Exchange and the Bank’s Director Independence Standards.
- 2.2 The Board will appoint and remove the Board Chair.
- 2.3 The Board Chair will have the authority to engage independent legal counsel, consultants or other advisors, with respect to any issue, or to assist them in fulfilling their responsibilities without consulting or obtaining the approval of any officer of the Bank. The Bank will provide appropriate funding to such advisors that are necessary or appropriate in carrying out the Chair’s duties.