DIRECTOR ORIENTATION AND CONTINUING EDUCATION POLICY

Board Effectiveness
The Board values best practices of corporate governance and strives to maintain and adopt policies to promote maximum effectiveness. The Board recognizes that a Director Orientation and Continuing Education Policy is an essential tool to that effect and therefore seeks to abide by the following practices.

Orientation of New Directors

- The Board is responsible for ensuring that new directors receive a comprehensive orientation.
- All newly appointed directors should fully understand:
  - the nature and operation of BDC’s business;
  - the role of the Board and its Committees; and the specificities related to being a member of the Board of a Federal Crown Corporation;
  - the contribution each director is expected to make;
  - the laws governing BDC’s operations.
- In order to provide newly appointed directors with the knowledge base they need to fulfill their obligations as directors, they shall:
  - receive a BDC Directors and Officers Manual containing the information described in Schedule A hereto, which they are expected to read and become familiar with;
  - receive a copy of the most recent Corporate Plan and Annual Report;
  - attend individual meetings in an interactive setting with the heads of each business and support unit to familiarize themselves with BDC’s businesses, operations and methods as well as its organizational structure. These meetings should take place within the first weeks of a directors’ tenure;
  - complete a course for Newly Appointed Directors of Crown Corporations offered by the Canada School of Public Service; and
  - where appropriate, complete a one-day session on Financial Literacy for Directors of Crown Corporations offered by the Canada School of Public Service.
- BDC also strongly encourages Directors to obtain an ICD.D designation from the Institute of Corporate Directors and assumes the full cost of the program.

Continuing Education of Directors
The Board is also responsible for ensuring that Directors are provided with continuing education opportunities.
The Governance/Nominating Committee may suggest a list of training topics to BDC’s Corporate Secretariat who shall offer its directors a mix of internal and external education opportunities. All external training will be pre-approved by the Chairperson of the Governance/Nominating Committee.