



## TELESAT CORPORATION MANDATE OF THE BOARD OF DIRECTORS

### 1. Introduction

The board of directors (the “**Board**”) of Telesat Corporation (“**Telesat**” or the “**Company**”) is elected by the shareholders of Telesat and is responsible for the stewardship of Telesat. The purpose of this mandate is to describe the principal duties and responsibilities of the Board, as well as some of the policies and procedures that apply to the Board in discharging its duties and responsibilities.

The Board has approved this mandate, which, together with the corporate governance guidelines, the charters for the committees of the Board, the position descriptions for the Board chair, lead director and committee chairs, the articles of Telesat, as amended and restated (the “**Telesat Corporation Articles**”) and the separate investor rights agreements dated November 23, 2020 entered into between Telesat and each of MHR Fund Management LLC (“**MHR**”) and Public Sector Pension Investment Board (“**PSP**”) (as may be amended from time to time, the “**Investor Rights Agreements**”) provide the general framework for the governance of the Company. In the event of any conflict between this policy and the Telesat Corporation Articles or the Investor Rights Agreements, or any of the rights, privileges, arrangements, or powers set forth therein, the Telesat Corporation Articles and the Investor Rights Agreements shall prevail and this policy shall not and shall be interpreted not to, directly or indirectly interfere with, limit or restrict or otherwise disrupt, any of such rights, privileges, arrangements or powers. The Board intends that policy will continue to evolve to address all applicable regulatory and stock exchange requirements relating to corporate governance and will be modified and updated as circumstances warrant.

### 2. Independence

The Board will be comprised in accordance with the relevant provisions of the Telesat Corporation Articles and shall include a minimum of three (3) independent directors who are unaffiliated with MHR and PSP, with a view to ensuring that a majority of the directors are independent within the meaning of Section 1.4 of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) and NASDAQ Rule 5605. The Board will annually review and make a determination on the independence of each director as required under applicable securities laws and the rules of any stock exchange upon which the securities of the Company are listed, including under Section 1.2 of National Instrument 58-101 and NASDAQ Rule 5605(a)(2).

The Board, as required, may have an independent (as set forth under Section 1.2 of National Instrument 58-101 and NASDAQ Rule 5605(a)(2)) Director to carry out the functions of a lead director. If Telesat has a non-executive, independent (as set forth under Section 1.2 of National Instrument 58-101 and NASDAQ Rule 5605(a)(2)) Chair, then the role of the lead director will be filled by the non-executive Chair.

### 3. Role and Responsibilities of the Board

The Board is responsible for providing independent, effective leadership in supervising the management of the business and affairs of Telesat, including providing guidance and strategic oversight to management with a view to maximizing shareholder value and conducting the business and affairs of Telesat ethically and in accordance with the highest standards of corporate governance.

In discharging their duties, directors must act honestly and in good faith, with a view to the best interests of the Company. Each director must also exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The responsibilities of the Board include:

- a) adopting a strategic planning process and approving management's strategic and business plans;
- b) risk identification and ensuring that procedures are in place for the management of those risks;
- c) reviewing and approving annual operating plans and budgets;
- d) corporate social responsibility, ethics and integrity;
- e) succession planning, including the selection and appointment of senior management;
- f) delegations and general approval guidelines for management;
- g) monitoring financial reporting and management;
- h) monitoring internal control and management information systems;
- i) corporate disclosure and communications;
- j) adopting measures for receiving feedback from stakeholders; and
- k) adopting key corporate policies designed to ensure that Telesat and its directors, officers and employees comply with applicable laws, rules and regulations and conduct their business ethically and with honesty and integrity.

Meetings of the Board will be held as many times per year as necessary to effectively carry out the Board's responsibilities, but in any event not less than four (4) times per year.

#### **4. Strategic Planning Process and Risk Management**

The Board will adopt a strategic planning process to establish objectives and goals for Telesat's business and will review, approve and modify as appropriate the strategies proposed by senior management to achieve such objectives and goals. The Board will periodically review and approve, as necessary, a strategic plan which takes into account, among other things, the opportunities and risks of Telesat's business and affairs.

The Board, in conjunction with management, will identify the principal risks of Telesat's business and oversee management's implementation of appropriate systems to effectively monitor, manage and mitigate the impact of such risks. Pursuant to its duty to oversee the implementation of effective risk management policies and procedures, the Board may delegate to applicable Board committees the responsibility for assessing and implementing appropriate policies and procedures to address specified risks, including delegation of financial and related risk management to the Audit Committee, delegation of risks associated with compensation policies and practices to the Compensation Committee and delegation of risks associated with corporate governance to the Nominating Committee. The Board will work in conjunction with each Committee, respectively, to oversee the implementation of such policies and procedures.

The Board, in conjunction with management, is responsible for understanding and monitoring the political, cultural, legal and business risks and environments in which Telesat operates and providing input to management on emerging trends, risks and issues.

## **5. Corporate Social Responsibility, Ethics and Integrity**

The Board will provide leadership to Telesat in support of its commitment to corporate social responsibility, set the ethical tone for Telesat and its management and foster ethical and responsible decision-making by management. The Board will take reasonable steps to satisfy itself of the integrity of the President and Chief Executive Officer and management and satisfy itself that the President and Chief Executive Officer and management create a culture of integrity throughout the organization.

## **6. Succession Planning, Appointment and Supervision of Management**

The Board will approve the succession plan for Telesat management upon the recommendation of the Compensation Committee, including the selection, appointment and supervision of the President and Chief Executive Officer and the other senior officers of Telesat, and will also approve the compensation of the President and Chief Executive Officer and the other senior officers of Telesat.

## **7. Delegations and Approval Authorities**

The Board will delegate to the President and Chief Executive Officer and senior management authority over the day-to-day management of the business and affairs of Telesat and will oversee such senior officers appropriately. This delegation of authority will be subject to specified financial limits and any transactions or arrangements in excess of general authority guidelines will be reviewed by and subject to the prior approval of the Board.

The Board may delegate certain matters it is responsible for to Board committees, presently consisting of the Audit Committee, Nominating Committee and Compensation Committee. The Board will, however, retain its oversight function and ultimate responsibility for these matters and any delegated responsibilities.

## **8. Monitoring of Financial Reporting and Management**

The Board will review and/or approve, as applicable, all material securities filings, including the annual audited consolidated financial statements, interim financial statements, the notes and management discussion and analysis accompanying such consolidated financial statements, quarterly and annual reports, management proxy circulars, proxy statements, annual information forms, prospectuses, and equity financings, borrowings and all annual operating plans and budgets.

The Board, with the assistance of the Audit Committee, will adopt procedures that seek to: (i) ensure the integrity of internal controls and management information systems; (ii) ensure compliance with applicable laws, rules and regulations; and (iii) prevent violations of applicable laws, rules and regulations relating to financial reporting and disclosure, violation of Telesat's Code of Ethics and fraud against shareholders.

## **9. Corporate Disclosure and Communications**

The Board will seek to ensure that Telesat's corporate disclosure complies with applicable laws, rules and regulations and the rules and regulations of the stock exchanges upon which Telesat's securities are listed. In addition, the Board will adopt procedures that seek to ensure the Board receives feedback from securityholders on material issues.

**10. Corporate Policies**

The Board will adopt and annually review policies and procedures designed to ensure that Telesat and its directors, officers and employees comply with applicable laws, rules and regulations and conduct Telesat's business ethically and with honesty and integrity.

**11. Review of Mandate**

The Nominating Committee will review and assess annually the adequacy of this mandate and recommend any proposed changes to the Board for consideration.

The Board may, from time to time, permit departures from the terms of this mandate, either prospectively or retrospectively. The terms of this mandate are not intended to give rise to civil liability on the part of the Company or its directors or officers to shareholders, securityholders, customers, suppliers, vendors, contractors, partners, competitors, employees or other persons, or to any other liability whatsoever on their part.

Dated: November 19, 2021

Approved by: Board of Directors