



**MAPLE LEAF FOODS INC.**  
(the "Corporation")

**MANDATE FOR THE BOARD OF DIRECTORS**

The Board is elected by the shareholders and is responsible for the stewardship of the business and affairs of the Corporation. The Board seeks to discharge such responsibility by reviewing, discussing and approving the Corporation's strategic planning and organizational structure and supervising management to oversee that the strategic planning and organizational structure enhance and preserve the business of the Corporation and its underlying value.

Although directors may be nominated by certain shareholders or may be elected by the shareholders to bring special expertise or a point of view to Board deliberations, directors are not chosen to represent a particular constituency. The best interests of the Corporation must be paramount at all times.

**DUTIES OF DIRECTORS**

The Board discharges its responsibility for overseeing the management of the Corporation's business by delegating to the Corporation's senior officers the responsibility for day-to-day management of the Corporation. The Board discharges its responsibilities both directly and through its committees, the Audit Committee, the Corporate Governance Committee, the Human Resources and Compensation Committee and the Environment, Health and Safety Committee. In addition to these regular committees, the Board may appoint ad hoc committees periodically to address certain issues of a more short-term nature. The Board's primary roles are overseeing corporate performance and providing quality, depth and continuity of management to meet the Corporation's strategic objectives. Other principal duties include, but are not limited to the following categories:

**Appointment of Management**

1. The Board is responsible for approving the appointment of the Chief Executive Officer, the Chief Financial Officer and all officers and approving the compensation of the three most highly paid officers of the Corporation in addition to the Chief Executive Officer and the Chief Financial Officer, following a review of the recommendations of the Human Resources and Compensation Committee.
2. In approving the appointment of the Chief Executive Officer and other senior management, the Board should, to the extent feasible, satisfy itself as to the integrity of these individuals and that the Chief Executive Officer and senior management create a culture of integrity throughout the Corporation.
3. The Board oversees that succession-planning programs are in place, including programs to appoint, train, develop and monitor management.

### **Board Organization**

4. The Board will respond to recommendations received from the Corporate Governance Committee, but retains responsibility for managing its own affairs by giving its approval for its composition and size, the selection of the Chairman of the Board, candidates nominated for election to the Board, committee and committee chair appointments, committee charters and director compensation.
5. The Board may delegate to Board committees matters it is responsible for, including the approval of compensation of the Board and management, the conduct of performance evaluations and oversight of internal controls systems, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

### **Strategic Planning**

6. The Board has oversight responsibility to participate directly, and through its committees, in reviewing, questioning and approving the mission of the Corporation and its objectives and goals.
7. The Board is responsible for adopting a strategic planning process and approving, on at least an annual basis, a strategic plan which takes into account the opportunities and risks of the business.
8. The Board will provide input to management on emerging trends and issues and on strategic plans, objectives and goals that management develops.
9. The Board will consider alternate strategies in response to possible change of control transactions or take-over bids with a view to maximizing value for shareholders.

### **Monitoring of Financial Performance and Other Financial Reporting Matters**

10. The Board is responsible for enhancing congruence between shareholder expectations, Corporation plans and management performance.
11. The Board is responsible for:
  - (a) adopting processes for monitoring the Corporation's progress toward its strategic and operational goals, and to revise and alter its direction to management in light of changing circumstances affecting the Corporation; and
  - (b) taking action when Corporation performance falls short of its goals or other special circumstances warrant.
12. The Board approves the annual financial statements and the notes and Management's Discussion and Analysis accompanying annual financial statements. The Board delegates to the Audit Committee responsibility for approval of interim financial statements and the accompanying notes and Management's Discussion & Analysis.

### **Risk Management**

13. The Board is responsible for the identification of the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to effectively monitor and manage such risks with a view to the long-term viability of the Corporation and achieving a proper balance between the risks incurred and the potential return to the Corporation's shareholders.

### **Policies and Procedures**

14. The Board is responsible for:
  - (a) overseeing the integrity of the Corporation's internal control and management information systems;
  - (b) approving and monitoring compliance with all significant policies and procedures by which the Corporation is operated;
  - (c) overseeing the Corporation's approach to corporate governance, including approving a set of corporate governance guidelines applicable to the Corporation, as recommended by the Corporate Governance Committee; and
  - (d) approving policies and procedures designed to ensure that the Corporation operates at all times within applicable laws and regulations and in accordance with ethical and moral standards.
15. The Board has adopted a code of business conduct and ethics applicable to its officers, employees and directors. The Board reviews periodic reports from management on compliance with the code and waivers from the application of the code in favour of any senior officer or director are subject to prior Board approval.
16. The Board shall enforce its policy respecting confidential treatment of the Corporation's proprietary information and the confidentiality of Board deliberations.

### **Communications and Reporting**

17. The Board has approved and will revise from time to time as circumstances warrant a communications plan to address communications with shareholders, employees, financial analysts, governments and regulatory authorities, the media and the Canadian and international communities.
18. The Board is responsible for:
  - (a) overseeing the accurate reporting of the financial performance of the Corporation to shareholders, other security holders and regulators on a timely and regular basis;
  - (b) overseeing that the financial results are reported fairly and in accordance with generally accepted accounting standards and related legal disclosure requirements;
  - (c) taking steps to enhance the timely disclosure of any other developments that have a significant and material impact on the Corporation;
  - (d) reporting annually to shareholders on its stewardship for the preceding year; and
  - (e) overseeing the Corporation's implementation of systems which accommodate feedback from shareholders.

### **Authorities**

19. As required by the Corporation's by-laws, the Board has established general authority guidelines that place limits on management's approval authority depending on the nature and type of the proposed transaction.