

STRACON GROUP HOLDING INC.

Chair of the Board

1. Purpose

Create the conditions for overall effectiveness of the board of directors (the “**Board**”) of STRACON Group Holding Inc. (the “**Company**”) as well as individual directors, both inside and outside the Boardroom.

2. Primary Responsibilities

- ▼ Preside over meetings of the Board, schedule meetings, determine materials of the meetings and set their agenda. The agenda should take full account of the issues and the concerns of all Board members. Agendas should include an appropriate mix of hindsight, oversight and foresight. The foresight component of the Board’s agenda should concentrate on strategic matters rather than formulaic approvals of proposals. The Board should run its business providing for the appropriate delegated powers to management;
- ▼ Provide leadership to the directors of the Company;
- ▼ Seek to ensure that the members of the Board receive accurate, timely and clear information, in particular about the Company’s performance, to enable the Board to take sound decisions, monitor effectively and provide advice to promote the success of the Company;
- ▼ Seek to ensure effective communication with shareholders and other key stakeholders and seek to ensure that the members of the Board develop an understanding of the views of major investors and other stakeholders;
- ▼ Manage the Board to ensure that sufficient time is allowed for discussion of complex or contentious issues, where appropriate arranging for informal meetings beforehand to enable thorough preparation for the Board discussion. It is particularly important that non-executive directors have sufficient time to consider critical issues and are not faced with unrealistic deadlines for decision-making;
- ▼ Take the lead in providing a properly constructed induction programme for new directors that is comprehensive, formal and tailored, and facilitated by the Company Secretary;
- ▼ Take the lead in identifying and meeting the development needs of individual directors, with the Company Secretary having a key role in facilitating provision. It is the responsibility of the Chair to address the development needs of the Board as a whole, with a view to enhancing the overall effectiveness as a team;
- ▼ Seek to ensure that the performance of individuals, the Board as a whole and its committees are evaluated at least once a year;

- ▼ Build an effective and complementary Board, initiating change and planning succession in Board appointments, subject to Board and shareholders' approval, where applicable;
- ▼ Seek to promote the highest standards of corporate governance consistent with those adopted by leading widely held publicly traded companies, including the TSX and applicable Canadian governance guidelines;
- ▼ Seek to ensure a clear and effective structure and process for running Board committees;
- ▼ Seek to ensure effective implementation of Board decisions; and
- ▼ Fulfill any additional responsibilities described in the policy of the Board.

3. Chair's Leadership Style

- ▼ Upholds the highest standards of integrity and probity of the Board as a whole and all of its members;
- ▼ Sets the style and tone of Board discussions to promote effective decision-making and constructive debate;
- ▼ Establishes a close relationship of trust with the Chief Executive Officer, providing support and advice while respecting executive responsibility;
- ▼ Provides coherent leadership of the Company, including representing the Company and understanding the views of all shareholders and other key stakeholders;
- ▼ Fosters and motivates teamwork and encourages active engagement by all the members of the Board;
- ▼ Demonstrates commitment to director accountability and responsibility through example; and
- ▼ Gains the trust and respect of fellow directors through thoughtful listening and responding.



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