



**WESTJET AIRLINES LTD.
("WestJet" or the "Corporation")**

**MANDATE OF THE
BOARD OF DIRECTORS**

The Board of Directors (the "**Board**") of the Corporation is responsible for sustaining and strengthening the Corporation, to make it agile, resilient and well-positioned to prevail in a range of alternative futures. In discharging its responsibility, the Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of the Corporation. In general terms, the Board will:

- A.** in consultation with the President and Chief Executive Officer ("**CEO**") of the Corporation, define the strategic objectives of the Corporation;
- B.** supervise the management of the business and affairs of the Corporation with the goal of achieving the Corporation's strategic objectives as defined by the Board;
- C.** discharge the duties imposed on the Board by applicable laws; and
- D.** for the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.

Without limiting the generality of the foregoing, the Board will perform the following duties:

Strategic Direction, Operating, Capital and Financial Plans

- 1.** require the President and CEO to present annually to the Board a long range strategic plan and an annual business plan (including operating and capital expenditure budgets) which plans must:
 - (a)** be designed to achieve the Corporation's strategic objectives,
 - (b)** identify the principal strategic and operational opportunities and risks of the Corporation's business, and
 - (c)** be approved by the Board as a pre-condition to the implementation of such plans;
- 2.** approve the annual operating and capital expenditure budgets;
- 3.** at every meeting of the Board, discuss and monitor progress towards the achievement of the Corporation's goals established in the long range strategic and annual business plans and to revise and alter its direction through management in light of changing circumstances;
- 4.** at every meeting of the Board, discuss and review recent developments in the Corporation's industry and gauge what impact such developments may have on the Corporation's goals established in the long range strategic and annual business plans;
- 5.** identify and monitor the principal risks of the Corporation's business and take all reasonable steps for the implementation of appropriate systems to manage these risks;

6. approve issuances of additional shares or other securities to the public, the repurchase of shares (including the terms of any issuer bid), and the declaration and payment of dividends;
7. review any shareholder proposal received by the Corporation and provide the Corporation's response;

Management and Organization

8. to the extent feasible, satisfy itself as to the integrity of the President and CEO and other senior officers of the Corporation and that the President and CEO and other senior officers strive to create a culture of integrity throughout the Corporation;
9. appoint the President and CEO and determine the terms of the President and CEO's employment with the Corporation;
10. in consultation with the President and CEO, develop a mandate for the President and CEO;
11. evaluate the performance of the President and CEO at least annually;
12. in consultation with the President and CEO, establish the limits of management's authority and responsibility in conducting the Corporation's business;
13. ratify the appointment of all Vice President and Senior Vice President positions of the Corporation at the next quarterly meeting of the Board following such appointment;
14. ratify the appointment of all Executive Vice President positions of the Corporation at the next quarterly meeting of the Board following such appointment so long as the President and CEO consults with the members of the Board prior to such appointment;
15. receive annually from the President and CEO the evaluation of the performance of each Executive Vice President;
16. in consultation with the People and Compensation Committee, review annually the succession plans of the Corporation for the President and CEO and all senior management including the training and monitoring of such persons;
17. approve any proposed significant change in the executive management organization structure of the Corporation;
18. approve all retirement plans for officers of the Corporation;
19. generally provide advice and guidance to the President and CEO and the Executive Vice President management team;

Finances and Controls

20. monitor the appropriateness of the Corporation's capital structure;
21. require that the financial performance of the Corporation is properly reported to shareholders, other security holders and regulators on a timely and regular basis;
22. in consultation with the President and CEO, establish the ethical standards to be observed by all officers and employees of the Corporation and require that such standards are reflected in the Corporation's Code of Business Conduct;

23. require that the President and CEO institute and monitor processes and systems designed for compliance with applicable laws by the Corporation and its officers and employees;
24. require that the President and CEO institute, and maintain the integrity of, internal control and information systems, including maintenance of all required records and documentation;
25. approve contracts to be entered into by the Corporation that are un-budgeted and outside the signing authority limits of the President and CEO and Executive Vice President management team;
26. recommend to the shareholders of the Corporation a firm of chartered accountants to be appointed as the Corporation's auditors;
27. take all necessary actions to gain reasonable assurance that all financial information made public by the Corporation (including the Corporation's annual and quarterly financial statements) is accurate and complete and represents fairly the Corporation's financial position and performance;
28. review annually the directors' and officers' liability insurance policy and coverage, as well as amount of at risk liability;

Governance

29. in consultation with the Chair and Vice Chair of the Board, develop position descriptions for the Chair and Vice Chair of the Board and if required, in consultation with the Lead Director, a position description for the Lead Director;
30. in consultation with the Corporate Governance and Nominating Committee, develop the Corporation's approach to corporate governance, including developing a set of corporate governance principles and guidelines applicable to the Corporation;
31. bi-annually review and, if advisable, approve any amendments to the Corporation's Competition Law Policy and associated procedures;
32. in consultation with the President and CEO and the Corporate Governance and Nominating Committee, annually review and, if advisable, approve any amendments to the Corporation's Disclosure, Confidentiality and Trading Policy and annually review management's compliance with such policy;
33. facilitate the continuity, effectiveness and independence of the Board by, amongst other things,
 - (a) selecting nominees for election to the Board;
 - (b) appointing a Chair of the Board who is independent or if that person is not independent, appointing a Lead Director;
 - (c) appointing from amongst the independent directors an audit committee, a compensation committee and such other committees of the Board as the Board deems appropriate;
 - (d) defining the mandate of each committee of the Board;
 - (e) ensuring that processes are in place to assess the size of the Board, the effectiveness of the Chair of the Board, the Board as a whole, including the skill sets possessed by the Board and any areas of potential weakness, each committee of the Board and each director, and that such processes are utilized in accordance with the forward agenda of the Corporate Governance and Nominating Committee;

- (f) reviewing the orientation and education program for new members to the Board for adequacy and effectiveness;
- (g) implementing communications policies to enable all stakeholders of the Corporation to have direct access to communicate with the independent members of the Board;
- (h) establishing a system to enable any director to engage an outside adviser at the expense of the Corporation; and
- (i) implementing and annually reviewing procedures to require that all committees of the Board function independently of management;

34. review annually the adequacy and form of the compensation of directors;

Business Continuity and Cybersecurity

- 35. require that the Chief Information Officer institute processes and systems designed for disaster recovery, redundancy, business continuity and risk management, with respect to the Corporation's significant information technology, data and other operational systems;
- 36. require that the Chief Information Officer institute and maintain processes and systems designed to protect and defend against cyber attacks, risks and vulnerabilities.

Members of the Board

- 37. Board members are expected to:
 - (a) demonstrate high ethical standards and integrity in their personal and professional dealings;
 - (b) act honestly and in good faith with a view to the best interests of the Corporation;
 - (c) devote sufficient time to the affairs of the Corporation and exercise care, diligence and skill in fulfilling their responsibilities both as Board members and as members of any committees of the Board;
 - (d) devote sufficient time to ongoing continuing education specific to the business of the Corporation, together with the skills required for the discharge of Board and committee work;
 - (e) provide independent judgment on a broad range of issues;
 - (f) understand and challenge the strategic and business plans and the strategic direction of the Corporation;
 - (g) raise questions and issues to encourage effective participation in Board meetings and meetings of any committee of the Board;
 - (h) make all reasonable efforts to attend all meetings of the Board and of any committees of the Board;
 - (i) diligently review the materials provided by management in advance of any meeting of the Board or any committee of the Board;

Delegation

- 38. the Board may delegate its duties to, and receive reports and recommendations from, any committee of the Board;

Meetings

- 39. the Board shall meet at least four times per year and/or as deemed appropriate by the Chair of the Board;
- 40. minutes of each meeting shall be prepared;
- 41. the President and CEO or his or her designate(s) may be present at all meetings of the Board, provided that the Board shall hold an *in camera* session of the Board with independent Board members only at every quarterly meeting of the Board; and
- 42. senior leaders, and such other staff and external representatives as appropriate to provide information to the Board, shall attend meetings at the invitation of the Chair of the Board or the Board.

The Board shall review this mandate annually and make such modifications or additions as are, in the opinion of the Board, desirable to maintain best practices in corporate governance within its industry.

Approved, amended and ratified to: October 29, 2018

Last reviewed: October 29, 2018