

BY-LAW NO. 1

(amended and restated)

A by-law relating generally to the transaction of the business and affairs of the

CANADA INFRASTRUCTURE BANK

1. INTERPRETATION

1.1 Definitions – In this by-law and all other by-laws of the CIB,

- a) "Act" means the *Canada Infrastructure Bank Act*, S.C. 2017, c. 20, s. 403, and includes the regulations made pursuant thereto, as amended from time to time;
- b) "Board" means the Board of Directors of the CIB;
- c) "by-law" means this by-law and all other by-laws of the CIB adopted by the Board from time to time in force and effect;
- d) "Chairperson" means the Chairperson of the Board pursuant to subsection 8(3) of the Act;
- e) "Chief Executive Officer" means the Chief Executive Officer of the CIB pursuant to subsection 9(1) of the Act;
- f) "CIB" means the Canada Infrastructure Bank established pursuant to subsection 5(1) of the Act;
- g) "designated Minister" means the member of the King's Privy Council for Canada who is designated as the Minister under section 3 of the Act;
- h) "director" means a member of the Board;
- i) "FAA" means the *Financial Administration Act*, R.S.C. 1985, c. F-11, and includes the regulations made pursuant thereto, as amended from time to time;
- j) "officer" means the Chairperson, Chief Executive Officer, and any natural person designated as an officer of the CIB by by-law or by resolution of the Board; and
- k) "person" includes an individual, partnership, association, body corporate, trust, trustee, executor, administrator or legal representative.

1.2 Interpretation – In this by-law and all other by-laws of the CIB the following rules of interpretation shall apply:

- a) the by-laws are adopted pursuant to subsection 114(1) of the FAA and should be read subject to the FAA and the Act;
- b) unless the context otherwise requires, words and phrases defined in the FAA and the Act have the same meanings when used in the by-laws;

- c) if there is any conflict or inconsistency between any provision of this by-law and any provision of the Act or the FAA, the provision of the Act or the FAA shall govern;
- d) words importing the singular number only shall include the plural and vice-versa and words importing the masculine gender only shall include the feminine gender and vice versa; and
- e) the headings used in this by-law are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions of this by-law or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

1.3 Severability – The invalidity or unenforceability of any provision of this by-law shall not affect the validity or enforceability of the remaining provisions of this by-law.

2. GENERAL BUSINESS

2.1 Head Office – The head office of the CIB is to be at a place in Canada that is designated by the Governor in Council.

2.2 Corporate Seal – The CIB may, but need not, have a corporate seal. If adopted, the seal shall be in the form approved from time to time by the Board and the Secretary, or such other person as may be designated by the Board, shall be the custodian of the corporate seal.

2.3 Financial Year – The financial year of the CIB as specified in section 26 of the Act is the period of 12 months beginning on April 1 and ending on the next March 31, unless the Governor in Council directs otherwise.

2.4 Execution of Documents and Instruments – The Board may from time to time establish procedures relative to commitment and transaction authorization and may from time to time determine and direct the manner in which any documents or other instruments in writing shall be executed and the manner of execution thereof, including the use of facsimile or electronic reproduction of any or all signatures and the use of the corporate seal or a facsimile or electronic reproduction thereof. Documents or instruments in writing so signed shall be binding upon the CIB without any further authorization or formality.

2.5 Signature – Documents or any other instruments in writing requiring the signature of the CIB shall be signed by the Chief Executive Officer or anyone acting in such capacity. The Chief Executive Officer may delegate in writing such authority, with or without conditions, to other officers or employees of the CIB, each of whom may in turn, subject to the conditions applied by the Chief Executive Officer and delegates, authorize in writing such further delegations, with or without conditions, as deemed appropriate.

2.6 Execution in Counterpart – Any document or instrument required or permitted to be executed by one or more persons may be executed in as many counterparts as may be necessary, each of which, when duly executed by one or more of such persons, shall be an original and all such counterparts together shall constitute one and the same such instrument or document.

2.7 Banking Arrangements – The banking business of the CIB shall be transacted at such bank, trust company or other firm carrying on a banking business in Canada or elsewhere

as the Board may designate, appoint or authorize from time to time by resolution. The banking business or any part of it shall be transacted by an officer or officers of the CIB and/or other natural persons as the Board may by resolution from time to time designate, direct or authorize.

3. BOARD OF DIRECTORS

- 3.1 Function and Powers** – Subject to the FAA, the Board is responsible for the supervision of the management of the businesses, activities and other affairs of the CIB. The Board may from time to time establish by resolution, terms of reference describing the powers, duties and functions of the Board, the Chairperson, the Chief Executive Officer, all the committees of the Board and such other officers as the Board may determine.
- 3.2 Number of Directors and Quorum** – In accordance with subsection 8(1) of the Act, the Board is composed of the Chairperson and not fewer than eight (8), but, not more than eleven (11), other directors. A majority of the directors in office from time to time shall constitute a quorum for the transaction of business at any meeting of the Board. Notwithstanding vacancies, a quorum of directors may exercise all of the powers of the Board.
- 3.3 Appointment and Term of Directors** – In accordance with subsection 8(2) of the Act, each director, other than the Chairperson, is to be appointed by the Governor in Council to hold office during the pleasure for a term of not more than four years that will ensure, to the extent possible, the expiry in any one year of the terms of office of not more than one half of the directors. Notwithstanding the foregoing, in accordance with subsection 8(8) of the Act, if a director is not appointed to take office on expiry of the term of an incumbent director, the incumbent will continue in office until their successor is appointed.
- 3.4 Chairperson** – In accordance with subsection 8(3) of the Act, the Chairperson is to be appointed by the Governor in Council to hold office during the pleasure for a term that the Governor in Council considers appropriate. The Chairperson shall preside at meetings of the Board and shall perform such other duties and functions as the Board may specify, including managing the affairs of the Board. If the Chairperson is absent at any meeting of the board of directors, the directors present shall choose one of their number to be the chairperson at and for the purposes of such meeting.
- 3.5 Absence, Incapacity or Vacancy of Office of the Chairperson** – In accordance with section 8(9) of the Act, if the Chairperson is absent or unable to act or the office of the Chairperson is vacant, the Board may authorize one of the other directors to act as Chairperson, but that person is not authorized to act as Chairperson for a period of more than 180 days without the approval of the Governor in Council.
- 3.6 Resignation** – In accordance with subsection 107(1) of the FAA, a director may resign from his or her position by notice in writing delivered or sent to the CIB and such resignation shall become effective at the time the CIB receives such notice or at the time specified in such notice, whichever is later.

4. MEETINGS OF THE BOARD

- 4.1 Meetings** – The Board shall meet at least four times a year.

- 4.2 Place of Meetings** – Meetings of the Board may be held at the head office of the CIB or at any other place within Canada as the Board may determine.
- 4.3 Calling of Meeting** – Meetings of the Board shall be held at such time and at such place as the Chairperson, either on the Chairperson's own initiative or at the written request of the Chief Executive Officer or any two (2) of the other directors may from time to time determine.
- 4.4 Meetings by Communication Facilities** – A director may participate in a meeting of the Board or of a committee of directors by means of such telephone, electronic or other communications facilities as permit all persons participating in the meeting to hear each other, and a director participating in such a meeting by such means is deemed to be present at that meeting and having consented to the meeting.
- 4.5 Notice of Meeting**
- (1) Notice of the time and place of each meeting of the Board shall be given to each director by personal delivery, by mail, or by electronic mail, to the director's ordinary place of residence or other address designated by the director. Notice given by personal delivery shall be deemed to have been given on the day of actual delivery; notice sent by mail shall be deemed to have been given when deposited in a post office; and notice sent by other means of electronic communication shall be deemed to have been given on the day of transmission thereof.
 - (2) Notice shall be given at least forty-eight (48) hours in advance of the meeting.
 - (3) A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting.
 - (4) Notice of a meeting of the Board shall not be necessary if all of the directors are present, and none objects to the holding of the meeting.
 - (5) The accidental omission to give notice of any meeting of directors, or the failure to receive notice, shall not invalidate any resolution passed or any action taken at the meeting. Any director may at any time waive notice of such meeting and may ratify and approve any or all proceedings taken at that meeting.
- 4.6 Waiver of Notice** – A director may waive notice of a meeting of directors, any irregularity in a notice of meeting of directors or any irregularity in a meeting of directors. Such waiver may be given in any manner and may be given at any time before, during or after the meeting to which the waiver relates. Waiver of any notice of a meeting of directors cures any irregularity in the notice, any default in the giving of the notice, and any default in the timeliness of the notice. Attendance at a meeting is deemed a waiver of notice of the meeting unless the director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
- 4.7 Regular Meetings** – The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and time to be named. A copy of any resolution of the Board fixing the place and time of such regular meetings shall be sent to each director forthwith after being adopted, but no other notice shall be required for any such regular meetings.

- 4.8 Adjourned Meeting** – Notice of an adjourned meeting of the Board is not required if the time and place of the adjourned meeting is announced at the original meeting.
- 4.9 Votes to Govern** – Matters arising at any meeting of the Board or its committees shall be decided by majority of votes. In case of an equality of votes the chair of the meeting shall not be entitled to a casting vote but shall have the right to request a second round of votes, but shall not be compelled to do so. In the event of an equality of votes the resolution or motion put to such vote shall be deemed defeated. Any question at a meeting of the Board or its committees shall be decided by a show of hands unless a ballot is required or demanded by one or more of the directors attending the meeting.
- 4.10 Action by the Board** – The Board shall exercise its powers by or pursuant to a by-law or resolution either passed at a meeting of directors at which a quorum is present or consented to by the signatures of all of the directors then in office if constituting a quorum.
- 4.11 Resolution in Writing** – A resolution in writing, signed by all of the directors entitled to vote on that resolution, is as valid as if it had been passed at a meeting of the Board or a committee of directors. A copy of every such resolution shall be kept with the minutes of the proceedings of the Board or the committee.
- 4.12 Quorum** – A majority of the number of directors, including the Chairperson, shall constitute a quorum of the Board for the transaction of business and, notwithstanding any vacancy among the directors, a quorum of directors may exercise all the powers of the Board. For the purpose of determining a quorum, a director may be present in person, or, if authorized under Section 4.4, by telephone or other communications facilities. A quorum must be maintained throughout the meeting.
- 4.13 Corporate Secretary** – The Corporate Secretary of the CIB shall act as secretary at any meeting of the Board and, if the Corporate Secretary is absent or if no secretary has been appointed, the Chairperson or the chairperson at and for the meeting shall appoint a person (who need not be a director) to act as secretary of the meeting.
- 4.14 Minutes** – The minutes of all meetings (including meetings *in camera* to the extent that minutes are available) of the Board and its committees shall be written and made available to the directors, each of whom shall receive a copy of such minutes, as applicable.
- 4.15 Certification** – The Chairperson, the Chief Executive Officer, the Corporate Secretary or any other delegate designated to keep the minutes of the meetings of the Board or its committees may certify the minutes or copies thereof or extracts therefrom, and may certify any by-law or resolution of the Board or its committees or any copy thereof or extract therefrom.
- 4.16 Conflict of Interest** – A director shall disclose any interest in a material contract or material transaction, whether made or proposed, with the CIB in accordance with section 10 of this by-law.
- 5. PUBLIC MEETING**
- 5.1 Calling of Meeting** – In accordance with section 113.1(1) of the FAA, the Board shall hold a public meeting within fifteen (15) months after the day on which the last preceding public meeting was held.

5.2 Notice of Meeting – The CIB shall publish a notice of the public meeting at least thirty (30) days before the day on which the public meeting is to be held. The notice shall indicate the location, if any, the date and time of the public meeting, the means of participating in the meeting and how copies of the CIB's most recent annual report may be obtained.

5.3 Attendance – One (1) or more directors of the CIB and the Chief Executive Officer shall participate in the public meeting in order to answer questions from the public.

5.4 Meeting by Communication Facilities – The Board may determine that the public meeting shall be held entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

6. COMMITTEES

6.1 Committees of Directors – In addition to the committees of the Board required to be established pursuant to the FAA, the Board may appoint one or more other committees of the Board, however designated, and assign functions and delegate to such other committees any of the powers of the Board except the powers to:

- a) adopt, amend or repeal by-laws;
- b) approve the CIB's corporate plans, operating budgets and capital budgets;
- c) approve the annual financial statements and annual auditor's report;
- d) appoint the Chief Executive Officer and fix the term of office, pursuant to subsection 9(1) of the Act;
- e) recommend the rate of any remuneration paid to the Chief Executive Officer to be fixed by the Governor in Council, pursuant to subsection 12(3) of the Act.

6.2 Audit Committee – In accordance with the provisions of the FAA, the Board shall establish an audit committee composed of not fewer than three (3) directors, none of whom may be officers or employees of the CIB or any of its affiliates.

6.3 Duties of the Audit Committee – In accordance with the FAA, the audit committee shall:

- a) review, and advise the Board with respect to, the financial statements that are to be included in the annual report of the CIB;
- b) oversee any internal audit of the CIB that is conducted pursuant to the FAA;
- c) review, and advise the Board with respect to, the annual auditor's report of the CIB;
- d) if the CIB is undergoing a special examination under the FAA, review, and advise the Board with respect to, the plan and reports referred to in the FAA; and
- e) perform such other functions as are assigned to it by the Board.

- 6.4 Proceedings** – Unless otherwise determined by the Board, each committee of directors may make, amend or repeal rules and procedures to regulate its meetings. Subject to a committee of directors establishing rules and procedures to regulate its meetings, the provisions of section 4.3 (Calling of Meeting), section 4.5 (Notice of Meeting), section 4.8 (Adjourned Meeting), section 4.10 (Action by the Board) and section 4.12 (Quorum) of this by-law applicable to meetings of the Board shall apply, *mutatis mutandis*, to the meetings of any committee of directors, with such changes as are necessary.

7. FEES AND EXPENSES

- (1) In accordance with subsection 12(2) of the Act, the rate of any remuneration paid to the Chairperson and the other directors is to be fixed by the Governor in Council.
- (2) Subject to the Act, the Chairperson and the other directors may be paid such remuneration or reimbursement for such out-of-pocket expenses incurred in the performance of their duties as a director as the board shall from time to time determine in accordance with the by-laws.

8. OFFICERS

- 8.1 Chief Executive Officer** – In accordance with subsection 9(1) of the Act, the Chief Executive Officer is to be appointed by the Board to hold office during pleasure for a term to be fixed by the Board. The appointment and term of office are subject to the approval of the Governor in Council. The Chief Executive Officer is to carry out the duties and functions of his or her office on a full-time basis.
- 8.2 Absence, Incapacity or Vacancy of Office of the Chief Executive Officer** – In accordance with subsection 9(4) of the Act, if the Chief Executive Officer is absent or unable to act or the office of Chief Executive Officer is vacant, the designated Minister may appoint a person to act Chief Executive Officer.
- 8.3 Appointment of Other Officers** – On the recommendation of the Chief Executive Officer, the Board may from time to time appoint one or more other officers (to which title may be added words indicating seniority or function), including a corporate secretary, a chief financial officer and such other officers as the Chief Executive Officer may determine. The Chief Executive Officer may specify the duties of and, in accordance with this by-law and subject to the Act and the FAA, delegate to such officers powers to manage the business, activities and other affairs of the CIB. Two or more offices can be held by the same person.
- 8.4 Powers and Duties of Officers** – The powers and duties of all other officers shall be such as the terms of their engagement call for or as the Chief Executive Officer may specify. The Chief Executive Officer may, from time to time and subject to the provisions of the Act and the FAA, vary, add to or limit the powers and duties of any officer.
- 8.5 Term of Office** – Each officer appointed by the Board shall hold office until removed from office, a successor is appointed or until the officer resigns. On the recommendation of the

Chief Executive Officer, the Board may remove or discharge any other officers of the CIB, either with or without cause, and may appoint others in their place.

- 8.6 Conflict of Interest** – An officer shall disclose any interest in a material contract or material transaction, whether made or proposed, with the CIB in accordance with section 10 of this by-law.

9. PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

- 9.1 Indemnification** – To the extent permitted by the FAA, the CIB shall indemnify a present or former director or officer of the CIB or another person, who acts or acted at the CIB's request as a director or officer, of another corporation, and his or her heirs and legal representatives, against the costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, that are reasonably incurred by the person in respect of any civil, criminal, administrative or investigative action or proceeding to which the person is a party by reason of being or having been such a director or officer, if the person:

- a) acted honestly and in good faith with a view to the best interests of the CIB or, as the case may be, to the best interests of the other corporation for which the person acted as a director or officer at the CIB's request;
- b) in the case of any criminal or administrative action or proceeding that is enforced by a monetary penalty, believed on reasonable grounds that the person's conduct was lawful;
- c) a court or other competent authority has not judged that the person has committed any fault or omitted to do anything that the person ought to have done; and
- d) the CIB may extend the benefits of the foregoing indemnification to other persons provided such persons are designated by way of a resolution of the Board.

- 9.2 Indemnification Agreements** – The CIB is authorized to enter into any agreement evidencing and setting out the terms and conditions of an indemnity in favour of any of the persons referred to in section 9.1.

- 9.3 Insurance** – The CIB is authorized to purchase, maintain or participate in insurance for the benefit of any person referred to in section 9.1 against such liabilities and in such amounts as the Board may from time to time determine and are permitted by law.

10. CONFLICT OF INTEREST

- 10.1 Disclosure of Interest** – A director or officer of the CIB shall disclose in writing to the CIB or request to have entered in the minutes of a meeting of the Board or of meetings of committees of directors the nature and extent of any interest that he or she has in a material contract or material transaction, whether made or proposed with the CIB, if the director or officer:

- a) is a party to the contract or transaction;
- b) is a director or an officer, or an individual acting in a similar capacity of a party to the contract or transaction; or

- c) has a material interest in any person who is a party to the contract or transaction.

10.2 Time of Disclosure by Director

- (1) The disclosure required by section 10.1 shall be made,
 - a) at the meeting of the Board at which the proposed contract or transaction is first considered;
 - b) if the director was not at the time of the meeting referred to in paragraph a) interested in the proposed contract or transaction, at the first meeting of the Board after he or she becomes so interested;
 - c) if the director becomes interested after the contract or transaction is made, at the first meeting of the Board after he or she becomes so interested; or
 - d) if the director was interested in the contract or transaction before becoming a director, at the first meeting of the Board after he or she becomes a director.
- (2) If a material contract or material transaction, whether entered into or proposed, is one that, in the ordinary course of the business or activity of the CIB, would not require approval by the Board, a director shall disclose in writing to the CIB or request to have entered in the minutes of a meeting of the Board the nature and extent of the interest immediately after the director becomes aware of the contract or transaction.

10.3 Time of Disclosure by Officer

- (1) The disclosure required by section 10.1 shall be made:
 - a) forthwith after he or she becomes aware that the contract or proposed contract is to be considered or has been considered at a meeting of the board of directors;
 - b) if the officer becomes interested after the contract is made, forthwith after he or she becomes so interested; or
 - c) if the officer was interested in the contract before becoming an officer, forthwith after he or she becomes an officer.
- (2) If a material contract or material transaction, whether entered into or proposed, is one that, in the ordinary course of the business or activity of the CIB, would not require approval by the Board, the officer shall disclose in writing to the CIB or request to have entered in the minutes of a meeting of the Board the nature and extent of the interest immediately after the officer becomes aware of the contract or transaction.

10.4 Voting – A director required to make a disclosure under section 10.1 shall not attend any part of a meeting of the directors during which the contract or transaction is discussed and shall not vote on any resolution to approve the contract or transaction, unless the contract or transaction:

- a) relates primarily to remuneration or benefits as a director or agent of the CIB or a subsidiary of the CIB; or

- b) is for indemnity or insurance pursuant to these by-laws or the FAA;

10.5 Continuing Disclosure – If, by reason of any matter in which the CIB is involved, whether or not such matter is to be or has been dealt with by the Board, there is a material conflict of interest between the role of a director or officer and a role in any other capacity, the director or officer shall, upon becoming aware of such conflict, disclose such conflict in the manner described in section 10.2.

10.6 Avoidance Standards – A contract between the CIB and one or more of its directors or officers, or between the CIB and another person of which a director or officer is a director or an officer or in which he/she has an interest, is neither void nor voidable by reason only of that relationship or by reason only that a director or officer with an interest in the contract is present at or is counted to determine the presence of a quorum at a meeting of the Board that authorized the contract, if:

- a) the director or officer disclosed the interest in accordance with section 10.1 to 10.4, as the case may be;
- b) the contract was approved by the Board; and
- c) the contract was reasonable and fair to the CIB at the time it was approved.

Without limiting the generality of the foregoing, such director or officer is not accountable to the CIB for any profit or gain, such director realized from such contract.

10.7 Remaining Directors Deemed Quorum – If no quorum exists for the purpose of voting on a resolution to approve a contract or transaction only because a director is not permitted to be present at the meeting by reason of section 10.4, the remaining directors are deemed to constitute a quorum for the purposes of voting on the resolution.

10.8 Definition of Board – In this section 10, the term Board includes a committee of directors.

11. AMENDMENTS AND EFFECTIVE DATE

11.1 Make, Amend, Repeal – The Board may adopt, amend or repeal any by-laws that are consistent with the FAA, which by-laws or amendments will take effect as of the date enacted by the Board or on such later date as may be stated in the by-law or amendment to be its effective date. The Board shall provide a copy of all by-laws and any amendment to or repeal of any by-law to the designated Minister and the President of the Treasury Board, as required by subsection 114(2) of the FAA.

11.2 Previous Acts, etc.

- (1) Upon the enactment of this by-law, the previous version of the by-law shall be repealed. Such repeal shall not affect the previous operation of any by-law or affect the validity of any act done or right or privilege, obligation, or liability acquired or incurred under, or the validity of any contract or agreement made pursuant to any such by-law prior to its repeal.
- (2) All directors, officers, and person acting under any by-law so repealed shall continue to act as if appointed under the provisions of this by-law and all resolutions of the directors and of the Board with continuing effect passed under any repealed by-law shall continue

as good and valid except to the extent inconsistent with this by-law and until amended or repealed.

11.3 Effective Date

This By-Law shall come into force on February 13, 2024.

IN WITNESS WHEREOF this amended and restated By-Law No. 1 has been duly approved at a meeting of the Board on February 13, 2024.