

Minutes of the Governance Committee Meeting

September 9, 2020 11:00am-12:30pm ET (held via webinar)

| Committee members in attendance | |
|---|--------------------------------|
| Nancy Hill – Chair Maxime Belletête Victor Benz | David Lynch Richard Trimble |
| Regrets | |
| None | |
| Observers in attendance | |
| Jean Boudreau Danny Chui | Changiz Sadr |
| Staff and support | |
| Christina Mash Emily McParland | Evelyn Spence |

1. Call to order and approval of agenda

N. Hill, Committee Chair, opened the meeting at 11:01am (ET) and welcomed the participants. Because of connectivity issues, N. Hill asked D. Lynch, Past-President, to chair the meeting in her place. He agreed, and the agenda was approved by consensus.

2. Last meeting review

2.1. Approval of June 15 minutes

The minutes were circulated in the agenda book. No feedback or comments were received.

Moved by V. Benz, seconded by M. Belletête

THAT the minutes of the meetings on June 15 be approved as presented.

Carried

2.2. Review of action table

The committee reviewed the list of past action items, noting that all work has been completed.

3. Oversight of Governance Committee's portion of the strategic performance reporting on Board Responsibility 4

No discussion was had on pre-circulated materials. The work is well underway, and the committee agreed with the stated assessment of the Board's performance in respect of BR4.

4. Policy reviews

4.1. Consistency review of all policies

Committee members noted that generally, the bullets and numbers are inconsistent throughout the manual. Further, it was agreed that defined terms require capitalization. It was recommended that staff consider exceptions to the communications standards in this case. It was noted that the committee has authority to make editorial changes to policies, such that the formatting of approved policies can be adjusted once the convention is determined, even after they receive Board approval.

ACTION: E. Spence to discuss the standard consistency with Engineers Canada's communications team,

and will come back to the committee at a future meeting to discuss a proposed convention.

4.2. Round 1 policy reviews:

a) Policy 5.3 – Financial condition

Proposed changes were accepted, with some adjustments.

Adjustments to proposed changes: The committee agreed that the statement referring to “appropriate administrative signing authorities exist” is critical, and that removing this could cause a gap, for example, when communicating with the bank to designate signing authorities. The statement will remain in the revised policy.

Additional changes: Clarification was requested around the reserves statement, and it was agreed that “restricted” will be added to the second instance of “reserves” in section 2, bullet 6. Staff will also ensure there is no overlap with provisions included in the draft net asset policy.

b) Policy 5.5 – Asset protection

Proposed changes were accepted.

Additional changes: It was agreed to add “and committee members” to point 2 for consistency. Staff will ensure this gap is addressed in the future policy reviews. It was agreed to move to biennial review.

c) Policy 5.6 – Planning

Proposed changes were accepted.

Additional changes: Point 1 was noted to adjust “than” to “that”.

d) Policy 5.7 – Compensation and benefits

Proposed changes were accepted, with no further adjustments required.

e) Policy 2 – Definitions

Proposed changes were accepted.

Additional changes: Adjust reference to “Advisor,” when referenced alone, to “CEO Group advisor” for consistency with the rest of the manual references. It was agreed to move this policy to a biennial review.

f) Policy 1.5 – About this manual

Proposed changes were accepted.

Additional changes: Strike the third bullet “To provide related documents developed by Engineers Canada.”; to add as the first bullet under objectives “To document the principles, policies and procedures governing Engineers Canada”; and to use a-b-c list to support specific order. It was agreed to move the policy to biennial review.

g) Policy 4.11 - Board management delegation

Proposed changes were accepted, with no further adjustments required. It was agreed to move the policy to biennial review.

h) Policy 4.9 – President’s role

Proposed changes were accepted, and it was agreed to clarify that the president is a “non-voting ex-officio member” for committees of which they are not already a formal voting member.

Additional changes: Staff to craft wording for sub-delegation of duties for each role, and to add reference to policy 7.11 to clarify the consultation process under the president-elect duties.

Adjustments will be circulated for email approval.

i) Policy 5 – Executive duties and limitations

Proposed changes were accepted, and it was agreed to move to biennial review.

Additional changes: Add, as a new point 3: “Establish delegations of authority, including procurement and signing authority, with the intent of achieving appropriate segregation of corporate duties, oversight and control.”

j) Policy 4.13 – Individual director assessment

Proposed changes were accepted, and it was agreed to move to biennial review.

Adjustments to proposed changes: The committee discussed the confidentiality of peer assessments. Staff will adjust the policy to address that results are confidential, taking into consideration the practice that only the president-elect and the governance administrator have access to the assessments, in addition to the director under review. Adjustments will be circulated by staff for email approval.

k) Policy 4.3 – Code of conduct

The committee discussed the purpose of the code of conduct and identified it may need to cover more content than what is currently contained in the policy. It was decided that this item would be reviewed when the meeting re-convenes and there is time for a more fulsome discussion.

l) Policy 7.11 – Consultation

Proposed changes were accepted with no additional adjustments required. It was agreed to move to biennial review.

m) Policy 4.7 – Monitoring of the CEO

Proposed changes were accepted with no additional adjustments required. It was agreed to move to biennial review.

n) Policy 4.8 – Board competency profile

No changes were proposed, and it was agreed to move to biennial review.

o) Policy 1.4 – Strategic plan

No changes were proposed, and it was agreed to move to biennial review.

ACTION: Staff to propose revisions, as discussed, to policies 4.9 and 4.13 and circulate via email for committee approval.

ACTION: Staff to make additional changes and adjustments to policies as noted above (within agenda item 4.2), in preparation for presentation to the Board in December.

5. Review and oversight of Governance Committee strategic risks

The title of the briefing note will be more specific for future meetings, adjusting to: “Risk register - oversight of strategic risks monitored by the Governance Committee”.

It was agreed that no material change has occurred that would require adjustments made to the current impact or likelihood scores for the risks monitored by the Governance Committee.

6. Confirm content of governance effectiveness survey

This item will be reviewed when the meeting re-convenes.

7. Work plan review

N. Hill presented the work plan, noting two adjustments with clear justification for the changes included in the notes of the pre-circulated document. To meet the December meeting document deadlines, the committee will need to re-convene to discuss the governance effectiveness survey before October 5.

8. Other business

No other business was brought forward, and it was agreed that the meeting would reconvene to address agenda items 6 and policy 4.3 - Code of conduct.

9. Next meetings

The next meetings are scheduled as follows:

- November 17, 2020
- March 3, 2021

ACTION: Staff to extend timing of the November 17 and March 3 meetings.

ACTION: Staff to circulate a poll to determine the date and time to re-convene the meeting.

10. Adjournment

The meeting was adjourned at 12:58pm ET, to be re-convened at the date and time as determined by doodle poll.

Continuation of September 9 meeting September 22, 2020 10:00am-11:30am ET (held via webinar)

The meeting re-convened to continue the unfinished business of the September 9, 2020 meeting, with Governance Committee members Nancy Hill (Chair), Maxime Belletête, Victor Benz, David Lynch, and Richard Trimble in attendance and no regrets received. Staff support Evelyn Spence, Christina Mash, and Emily McParland were in attendance. Jean Boudreau, President, ex-officio non-voting member, was present; no other observers were in attendance.

1. Call to order

The meeting was re-convened at 10:03am ET.

2. Governance Effectiveness Survey

2.1. Incorporating the Board self-assessment into the survey

It was agreed by consensus to combine the two surveys, as presented. The Board self-assessment is deployed annually in March as per policy 4.12 *Board Self-Assessment*, and the Board will be asked to approve this deviation from policy when presenting the Governance Effectiveness Survey at their meeting in December.

2.2. Content/approach of the Survey

The committee agreed that the survey questions are appropriate and cover all the areas required, and that a focus should be made on increasing participation rates with this activity.

A discussion was had on the diverse experience levels amongst the regulator presidents with regards to Engineers Canada business. No changes to content will be made, but this factor should be noted when assessing the quality of responses received.

Adjustments to survey content: The committee agreed by consensus to the suggestion of removing question 4, due to content overlap. Further, it was decided that the questionnaire should provide options

for future Board educational opportunities, to be ranked by the respondent, while also maintaining a field for open ended suggestions. The options would include the recommendations from the Governance Committee's Board self-assessment results report delivered in May 2020, in addition to: directors' role in providing direction and control; and, directors' physical role at the Board level. Additionally, a comment field will be included to capture the directors' preferred learning styles (e.g. lecture, self-study, etc.), to better understand how to deliver director development opportunities.

ACTION: Staff to make additional adjustments to the survey content in preparation for presentation to the Board in December.

3. Policy review - continued

3.1. Confirm committee agreement with the proposed changes to policies 4.9 and 4.13

E. Spence provided an overview of the changes made since the policies were first discussed on September 22.

a) Policy 4.9 – Role of the presidents

Proposed changes were accepted.

Additional changes: An editorial change was identified to change “the Board is comprised of three...” to “the Board comprises three...”. Although policy 7.1 Board, Committee, and Other Volunteer Expenses will outline the presidents' responsibilities for expense review, it was agreed that reference to added responsibilities within policy 7.1 should be included in the president-elect and president sections.

ACTION: Staff to make additional changes as noted above to policy 4.9, in preparation for presentation to the Board in December.

b) Policy 4.13 – Individual director assessment

Proposed changes were accepted, with no further adjustments required.

3.2. Policy formatting update

E. Spence reported on her discussions with the Engineers Canada communications team. The following improvements will be implemented:

- Defined terms will be capitalized throughout the policy manual.
- The use of sentence case will be kept within document titles, but references made to policies in other areas will be capitalized.
- Numbering of paragraphs was approved, with a request that a consistent approach be followed.

The committee discussed different styles of numbering that could be used, noting a preference for the system that does not exceed three sets of numbers, to encourage simplicity for referencing of sections. E. Spence and V. Benz agreed to work on a consistent standard, and to keep the committee informed of their recommendations.

ACTION: E. Spence to prepare three numbering options (non-tracked) using policy 4.9 as an example, to be circulated by email to V. Benz, with copy to the committee, by end of day on September 22.

3.3. Policy review – 4.3 Code of conduct

The committee discussed the expansion of the code of conduct, and reviewed samples used within the consulting engineering field to better understand improvements that could be made. It was agreed that the code should be expanded to cover issues such as gifts and benefits, information security, social media

conduct, and conflict of interest. Further, engagement with the code could be enhanced by having an integrated approach for all staff and volunteers, and by hosting it online, outside of the Board policy manual, so adherence could be supported with digital signatures.

E. Spence reported that operational policies that would contribute to this work have recently had substantial improvements made and are scheduled for approval at the October 8 senior leadership meeting. The relevant policies, specifically the operational Conflicts of Interest and Code of Professionalism policies, will be included in meeting materials for the November 17 Governance Committee meeting.

D. Lynch noted that the HR Committee should be engaged in this work, to review the code of conduct for topics such as how work environment issues are reported.

It was confirmed by staff that the policy review schedule as set out in the Governance Committee's work plan was specifically designed to ensure general reviews were concluded in the fall so that time would be available at the March 3rd meeting to work on new policies or policy improvements, such as this one.

When giving the Governance Committee's update at the meeting on October 2, N. Hill will update the Board on the committee's decision to thoroughly review the code of conduct, and will share how it intends to make the policy more robust and integrated for the organization as a whole. To that end, the code of conduct will not be revised at this stage, and the thorough review and re-write will begin this fall and into the spring, with presentation to the Board anticipated at the May meeting. Directors will be invited to provide feedback on this approach.

ACTION: Staff to include relevant operational policies that could integrate with the code of conduct enhancement work in the November 17 Governance Committee agenda book.

4. Other business

No other business was brought forward.

5. Termination

With no further business to address, the meeting was terminated at 11:23am ET.