

Corporate Governance Policy Manual

Workers' Compensation Board - Alberta
Board of Directors



Workers'
Compensation
Board

Alberta

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Part I: Introduction

1. Governance Overview

- (a) The corporate governance policy is a set of rules that binds the WCB Board of Directors and its members. It defines and delineates the Board of Directors' responsibilities, authority and administration. This policy is designed to assist Board members to understand their duties and obligations, and should be used as a starting point for individual Board members seeking direction or guidance on a particular issue or matter. It is also important for Board members to understand that these duties do not end with their terms as Board members, but will continue after their terms expire.
- (b) The rules contained in this policy set out the minimum standards of conduct for Board members and are not intended to be exhaustive. There may be issues outside of the explicit rules that arise, and these should be addressed in accordance with the general principles of this policy, or through the exercise of sound business and ethical judgment. Board members may seek guidance from legal counsel should situations arise that fall outside of this policy. The rules herein are supplementary to any statutory or common law duties and obligations, or any other standards of conduct applicable to Board members.
- (c) The WCB Board of Directors' governance model is driven by the Meredith Principles (Appendix B), the *Worker's Compensation Act (WCA)*, the Principles of Alberta Workers' Compensation (Appendix C) and the WCB's beliefs and values. Decisions, strategies and results are measured, in part, within this framework.
- (d) The content herein is reviewed annually by the Board of Directors and revised when appropriate to ensure alignment with the needs of the WCB and governance best practices.

2. Corporate Direction

- (a) The Board of Directors is responsible and accountable for the WCB as defined in the *WCA* and corporate governance policy. The Board of Directors determines and regularly reviews the strategic direction for the WCB. In determining the strategic direction, the Board of Directors will use information from a wide range of sources including WCB employees, stakeholders, customers and external experts.
- (b) The Board of Directors reviews, approves and monitors the annual corporate objectives, ensuring they are consistent with the strategic direction and reflect the beliefs and values of the WCB.

3. Vision and Mission

- (a) The Board of Directors governs the WCB according to the established vision, mission, beliefs and values.
- (b) The Board of Directors reviews and approves:
 - (i) the vision and mission; and
 - (ii) the WCB's beliefs and values to ensure their continued importance and appropriateness in supporting the vision and mission.

- (c) **The vision** of the WCB is:

Albertans working – a safe, healthy and strong Alberta.

- (d) **The mission** of the WCB is:

WCB – Alberta, working together with our stakeholders will significantly and measurably reduce the impact of workplace illness and injury on Albertans.

4. Beliefs and Values

(a) The Board of Directors believes governance practices based on beliefs and values enable the success of the WCB.

(b) The WCB believes:

- (i) that the WCB must be financially secure;
- (ii) that people must be treated with dignity;
- (iii) in communication that is open, honest, timely and defined;
- (iv) in the fair and equitable compensation of workers;
- (v) in the fair assessment of employers; and
- (vi) that a healthy, energized, informed staff enables the WCB to be effective and agile.

(c) The WCB's values are:

- (i) **Partnerships:** Work together in partnerships, both internally and externally, to achieve shared goals.
- (ii) **Excellent Service:** Provide customers with excellent services and products.
- (iii) **Achievement:** Fulfill commitments and achieve desired results.
- (iv) **Respect:** Treat everyone with dignity and interpersonal sensitivity, share information with staff, customers, and stakeholders, act with integrity and as trustees of the workers' compensation system, and listen and respond to the needs of our customers.
- (v) **Learning and Growth:** Demonstrate continuous personal and corporate improvement and apply this knowledge to provide the best services and products.

5. Binding Nature of the Policy

- (a) This policy, including the Glossary of Terms attached hereto as Appendix A, binds the Board of Directors and all present and future Board members to the same extent as if each had signed, sealed and delivered to each of the others, a promise to comply with, and be bound by this policy and all acts, decisions, proceedings, and things done and taken under this policy.
- (b) Alleged breaches of the rules of this policy by Board members shall be brought to the attention of the Chair of the Board of Directors, who shall have the authority to determine the existence and consequences of such breaches.
- (c) Alleged breaches of the rules of this policy by the Chair of the Board of Directors shall be brought to the attention of the Board of Directors Governance Committee, who shall have the authority to determine the existence and consequences of such breaches.
- (d) The WCB may, from time to time, require Board members to execute documents acknowledging their specific obligations under this policy.
- (e) This policy applies to Committees of the Board of Directors, and their operations, with necessary modifications.

Part II: Roles and Responsibilities

6. Legislative Authority

- (a) The Board of Directors' authority is established under the *WCA* (relevant sections attached hereto as Appendix C)

7. General Structure and Terms

- (a) The structure of the Board of Directors is determined by the *WCA*.
- (b) The Board of Directors consists of:
 - (i) a member who shall be Chair, who is appointed by the Lieutenant Governor in Council;
 - (ii) not more than 3 members whom the Lieutenant Governor in Council considers to be representative of the interests of employers;
 - (iii) not more than 3 members whom the Lieutenant Governor in Council considers to be representative of the interests of workers; and
 - (iv) not more than 3 members whom the Lieutenant Governor in Council considers to be representative of the interests of the general public.
- (c) A Board member shall be appointed for a term not to exceed 3 years, and is eligible for reappointment for 1 additional term, not to exceed 3 years.
- (d) The Lieutenant Governor in Council may, on the recommendation of the Minister, reappoint a Board member for a third term not exceeding 3 years if, in the opinion of the Minister, the reappointment would be beneficial to the Board.
- (e) If a person other than a Board member is appointed Chair, that person is eligible to serve as Chair for a maximum of 3 terms not exceeding 3 years each.
- (f) If a Board member is appointed Chair, the member is, subject to section 7(g), eligible to serve as Chair for a maximum of 3 terms not exceeding 3 years each.
- (g) No person is eligible to serve on the Board for more than 10 years, taking into account the total number of years served as a Board member and Chair.

8. Governing Style

- (a) The Board of Directors assumes its role and responsibilities within the context of a governance model of decision-making and accountability. The Board of Directors is accountable through the Minister responsible for the WCB to all Albertans and is responsible for maintaining the system and adhering to the *WCA*.
- (b) The general values sustaining all actions of the Board of Directors are contained in the Meredith Principles, the *WCA*, the Principles of Alberta Workers' Compensation and the WCB's beliefs and values. In this vein, the Board of Directors will:
 - (i) focus on the strategic direction of the WCB, not on the administrative or programmatic means of attaining specific results;
 - (ii) make decisions in the best interest of the workers' compensation system, having considered the interests of and fairness to all parties;
 - (iii) act in accordance with approved governance principles with respect to matters such as attendance, norms of good conduct, and policy-making principles, self-policing any tendency to stray from the governance model;
 - (iv) encourage and respect the individual diversity and expertise of each Board member; and
 - (v) monitor and regularly discuss the Board of Directors' processes and performance.

9. Role of the Board of Directors

- (a) The Board of Directors shall operate in a manner consistent with the *WCA* and corporate governance principles. Although Board members are representative of the interests of workers, employers and the general public, it is expected that, consistent with their fiduciary role, they will set aside any allegiances to a particular group and strive to maintain the welfare, credibility and integrity of the workers' compensation system at all times.
- (b) In accordance with the *WCA*, the Board of Directors shall:
 - (i) determine the WCB's compensation policy;
 - (ii) review and approve the programs and operating policies of the WCB;
 - (iii) consider and approve the annual operating and capital budgets of the WCB;
 - (iv) enact bylaws and pass resolutions for the conduct of the business and affairs of the WCB;
 - (v) select and appoint a person to be the President of the WCB who is the sole employee of the Board of Directors; and
 - (vi) determine the salary and benefits of the President, within the parameters as set out by the regulation framework under the *Reform of Agencies, Boards and Commissions Compensation Act (RABCCA)*.
- (c) In accordance with corporate governance principles, the Board of Directors shall:
 - (i) monitor the performance of the WCB;
 - (ii) establish and approve the corporate beliefs and values;
 - (iii) determine the strategic direction of the WCB;
 - (iv) assess relevant risks;
 - (v) approve the investment principles and policy;
 - (vi) approve the funding policy;
 - (vii) review and approve audited financial statements; and
 - (viii) approve policies taking into consideration the Meredith Principles, legislation and the fairness to our customers
- (d) Board members, including the Chair and Vice-Chair, are not eligible for the position of President while holding the position of Board member.

10. Role of the Chair

- (a) The Chair is appointed by the Lieutenant Governor in Council, through an Order in Council on the recommendation of the Minister responsible for the WCA.
- (b) The Chair:
 - (i) allocates responsibility within the Board of Directors;
 - (ii) provides positive and proactive leadership and direction;
 - (iii) approves attendance at, and remuneration and expenses for, all activities and events other than Board of Directors' meetings or committee meetings;
 - (iv) is authorized to appoint Board members to the committees;
 - (v) calls and conducts meetings of the Board of Directors at any place in Alberta the Chair determines;
 - (vi) sets the meeting agenda and ensures business transactions are recorded properly and accurately through the Secretary of the Board of Directors;
 - (vii) on the advice of a committee of the Board of Directors and as approved by the Board of Directors, has the authority to develop and enter into an employment agreement with the President, setting out the terms and conditions of employment, salary and benefits within the parameters as set out by the regulation framework under *RABCCA*;
 - (viii) supervises the administrative affairs of the President and reports to the Board of Directors;
 - (ix) brings to the attention of individual Board members or the Board of Directors as a whole, any situation that contravenes this policy and ensures the matter is dealt with; and
 - (x) shall be the official spokesperson for the Board of Directors, including communications with the Minister, the Legislature, legislative committees, stakeholders and other workers' compensation agencies.
- (c) The authority of the Chair's decision-making falls within the topics covered by this policy, except where the Chair specifically delegates portions of this authority to others. The Chair is authorized to use any reasonable interpretation of the provisions in this policy.

11. Role of the Vice-Chair

- (a) Under specific circumstances, the position of Vice-Chair may be initiated.
- (b) The role of Vice-Chair may be initiated for the purpose of succession planning.
- (c) The Vice-Chair is selected from amongst the members of the Board of Directors.
- (d) The appointment of a Vice-Chair is made through an Order in Council, pursuant to section 5(3) of the *WCA*.
- (e) In instances when the Chair is unavailable or unable to act:
 - (i) if a Vice-Chair has been appointed through an Order in Council and is available and able to act, the Vice-Chair shall be vested with and may exercise all of the powers, and shall perform all of the duties, of the Chair of the Board of Directors;
 - (ii) if a Vice-Chair has not been appointed through an Order in Council or is unavailable or unable to act, the Chair may select and appoint a Board member to act as Chair, and that person shall perform all of the duties of the Chair of the Board of Directors; and
 - (iii) if a Vice-Chair has not been appointed through an Order in Council or is unavailable or unable to act, and the Chair is unable to select and appoint a Board member to act as Chair, the longest serving standing committee chair shall perform all of the duties of the Chair of the Board of Directors.

12. Role of Committees

- (a) As required, the Board of Directors may constitute and dissolve both standing and *ad hoc* committees by resolution. In general, committees are to provide research, advice and direction to the Board of Directors. In exercising their responsibilities, committees will assist the Board of Directors by reviewing information and identifying and assessing risks for Board of Directors' deliberations in the decision-making process. The Board of Directors will periodically review the structure and mandate of all committees.
- (b) Standing committees are established to support the Board of Directors in fulfilling its key fiduciary responsibilities. The priorities and work of the standing committees should align with the governance priorities established by the Board of Directors. The standing committees are:
 - (i) **Finance** – The general purpose of the Finance Committee is to review and recommend the WCB's budget and financial plan and oversee the WCB's financial and investment management process.
 - (ii) **Audit** – The Audit Committee is established by section 93 of the *WCA* and is guided by the provisions of section 171 of the *Alberta Business Corporations Act*. Its general purpose is to review and make recommendations respecting the WCB's financial management and annual audited financial statements and oversee the valuation of the claims benefit liability.
 - (iii) **Human Resource & Governance** – The general purpose of the Human Resource and Governance Committee is to review and make recommendations respecting human resource management philosophies, succession planning, CEO evaluation, corporate goals and objectives, as well as monitor corporate governance policy and ensure that it is in accordance with good corporate governance practices.
 - (iv) **Policy** – The general purpose of the Policy Committee is to review and make recommendations respecting policies and legislative changes related to benefits and premiums, and determine the appropriate level of stakeholder involvement.
- (c) The scope, mandate and terms of reference of the standing committees will be established by the Board of Directors in their discretion as necessary.
- (d) In addition to the standing committees, the Board of Directors is authorized to establish *ad hoc* committees as necessary. The scope, mandate, terms of reference and duration of the *ad hoc* committees will be established by the Board of Directors in their discretion as necessary.

- (e) Board of Directors committees will normally consist of at least three Board members; with at least one representative of the interests of workers, one representative of the interests of employers and one representative of the interests of the general public. The specific composition of all committees, including the appointment of the committee chairs, shall be determined by the Chair.
- (f) Where appropriate, in order to facilitate the work of the committees, the Chair may appoint a temporary alternate to a committee where a regular member of the committee is or will be absent.
- (g) Committees are expected to give matters due consideration and discussion and to make policy and/or decision recommendations to the Board of Directors. Each committee should undertake consultation with its stakeholders in the course of its work when deemed appropriate by the committee.
- (h) A committee that is bringing a recommendation forward to the Board of Directors for either a policy matter or for a specific decision, should include in its written report to the Board of Directors:
 - (i) the recommendation in the form of a proposed resolution to be advanced by the committee chair at the Board of Directors meeting;
 - (ii) a statement of the issue to be addressed by the recommendation;
 - (iii) background information;
 - (iv) the process and information sources used by the committee to study, discuss and come up with a recommendation;
 - (v) the rationale for the recommendation;
 - (vi) other options discussed by the committee;
 - (vii) the key issues considered by the committee; and
 - (viii) the potential implications (stakeholder, financial, communications, etc).
- (i) At least one-half of the number of Board members currently serving on a committee shall constitute a quorum at a meeting of that committee.
- (j) The Chair of the Board of Directors is, by virtue of his or her position, a member of all committees of the Board of Directors, whether standing or otherwise.

Part III: Expectations of Board Members

13. General

- (a) The following sets out the basic expectations of what the WCB requires from all Board members.

14. Legal Standards

- (a) A Board member, when exercising the powers and performing the functions and duties as a member of the Board of Directors, must:
 - (i) act honestly and in good faith;
 - (ii) act with a view to the best interests and objectives of the workers' compensation system;
 - (iii) exercise the care, diligence and skill that a reasonably prudent individual would use in comparable circumstances; and
 - (iv) act in a financially responsible and accountable manner.
- (b) With respect to the Board member's duty of care, this standard may be raised for Board members possessing particular expertise, such as in law or accounting.
- (c) With respect to the Board member's duty of diligence, this standard requires Board members to become familiar with all aspects of the *WCA*, including business conducted, the organizational policies and the delegation of responsibilities. Board members shall inform themselves of their responsibilities and seek to acquire sufficient knowledge concerning the WCB's business and affairs to enable them to fulfill these responsibilities wisely.
- (d) With respect to the Board member's duty of skill, Board members must exercise the skills and expertise they possess and seek additional information and assistance from qualified persons where required.

15. General Expectations of Board members

- (a) Board members shall be familiar with the *WCA*, the regulations pursuant to the *WCA*, the governance policy, workers' compensation policies and the organizational structure of the *WCB*, as well as the rules of procedure and proper conduct of Board meetings.
- (b) Board members shall review information in advance of Board meetings, are responsible for being familiar with the material provided, and will be prepared to discuss and debate the issues raised.
- (c) Board members shall participate fully and respectfully in all Board meetings.
- (d) Board members shall attend meetings on a punctual basis and are expected to attend all meetings. A Board member participating via teleconference is deemed present at the meetings. Should a Board member be unable to attend a meeting, the member shall give prior notice to the Chair, an appointed designate or the Secretary of the Board.

16. Fiduciary Duty

- (a) Board members have a fiduciary duty to the WCB, requiring that they exercise the duties of loyalty and care. The duty of loyalty is expanded to require consideration of the public policy and business objectives of the WCB.
- (b) Although Board members are appointed to the Board of Directors to be representative of the interests of certain groups, Board members continue to owe the same duties to the WCB, even when those duties conflict with the wishes and the interests of the group. Being “representative of the interest of” a certain group means having the experience, expertise, and perspective of the group; but does not mean advocating the interests of the group. The primary duty of a Board member is to act in the best interests of the workers’ compensation system.
- (c) The Board of Directors expects ethical and businesslike conduct of its members and of itself as a whole. This accountability supersedes the personal interest of any Board member acting as an individual or consumer of the WCB’s services.
- (d) Enforcement of this policy is the responsibility of the Chair of the Board of Directors.
- (e) In exercising their fiduciary duty, Board members must:
 - (i) place the WCB’s interests above their own personal interests;
 - (ii) act in the interests of the WCB as a whole, rather than in the interest of any particular stakeholder or group of stakeholders;
 - (iii) not use their position as a Board member to assist or advocate for individual employers, workers or other stakeholders in their dealings with the WCB;
 - (iv) not use their positions to influence a decision of another person to further the Board member’s, or a related party’s, personal interest;
 - (v) perform their official duties and arrange their private affairs in a manner that will bear the closest public scrutiny, an obligation that is not fully discharged by simply acting within the law;
 - (vi) make policy decisions and assure themselves that there is an appropriate implementation plan for same;
 - (vii) act honestly in their representations to the Board and in the fiduciary role of governing the management of the assets of the WCB;
 - (viii) respect all decisions of the Board and shall not publicly express views that are inconsistent with an approved position of the Board;
 - (ix) conduct their deliberations in duly convened meetings under the direction of the Chair;
 - (x) exercise diligence in the execution of their duties and reasonably determine the validity of recommendations or actions of other Board members, corporate officers, management and external experts;

- (xi) not make judgments of the President or other staff except as that performance is assessed against explicit WCB policies or a contractual agreement using the official process;
- (xii) ensure that unethical activities not covered or specifically prohibited by this policy or any other legislation are neither encouraged nor condoned; and
- (xiii) regularly participate in educational activities that will assist them in carrying out their responsibilities.

17. Confidentiality

- (a) Board members attending Board meetings are encouraged to engage in healthy debate and are required to fully apprise themselves of the issues before them, with a view to constructively exploring solutions that are in the best interests of the WCB. To facilitate this goal, Board members will often be in possession of confidential information.
- (b) Confidentiality is legally governed by the *WCA* and the *Freedom of Information and Protection of Privacy Act*. However, the nature of a Board member's fiduciary duty may, in some circumstances, place further restrictions on the release of information.
- (c) Board members are encouraged to participate in communications that assist in educating the public, workers, and employers about the role of the WCB and the general administration of the *WCA* and its policies.
- (d) Board members shall not disclose any information that comes to their attention by reason of their membership on the Board of Directors without the express approval of the Board of Directors. Specifically, all legal opinions, financial and policy development information, written material brought before the Board of Directors or a Board Committee, or information which is otherwise designated as confidential by the WCB, shall be deemed private and confidential and shall not be disclosed unless so authorized by the Board of Directors. No Board member shall divulge or allow to be divulged such information except in performance of their duties or under the authority of the Board of Directors.
- (e) The substance of the Board of Directors' oral deliberations shall not be disclosed. Specifically, Board members shall not disclose or publicize any details, opinions, discussions or votes that may arise in debate or the decision-making of the Board of Directors.
- (f) Confidential information provided to Board members remains the property of the WCB and will not be disclosed by members during their term of service or at any time thereafter. Board members shall not act, after they cease to be members, in such a manner as to take improper advantage of their previous position with the WCB. To the extent possible, any confidential information provided to Board members will be returned by the Board member to the WCB upon the termination of their appointment.
- (g) Without restricting the generality of the foregoing, general agenda items for future Board of Directors meetings may be disclosed to facilitate broad consultations with constituents regarding such agenda items. However, specific opinions or recommendations advanced by WCB staff for discussion at future Board meetings shall not be disclosed.

- (h) Board members shall not use confidential information for personal benefit either directly or indirectly. Board members shall not knowingly take advantage of, or benefit from, information that is obtained in the course of their official duties and responsibilities and that is not available to the general public.
- (i) Board members, in the performance of their duties and obligations under the *WCA* and this policy, are permitted to disclose confidential information to management and employees of the WCB for the purpose of facilitating the business operations of the WCB.

18. Conflict of Interest

- (a) Individual Board members shall conduct their personal affairs in a manner that does not present a real, potential or apparent conflict of interest with their role as a Board member of the WCB. Specifically, a Board member shall be responsible for the identification and disclosure of real, potential or apparent conflict of interest situations as they arise.
- (b) In the event that a conflict does arise between the private interests of a Board member and the duties and responsibilities of that Board member to and for the WCB, the conflict shall be resolved in favour of the WCB.
- (c) A conflict of interest may be actual or apparent, potential or perceived, and exists whether or not financial advantages or other valuable benefit has been or may be derived by the Board member or a related party.
- (d) Conflict of interest situations may exist where benefits derived from a Board member's activities benefit individuals or entities with which the Board member is closely associated in either an actual or perceived way.
- (e) Board members shall bring any actual or apparent, potential or perceived conflict of interest to the attention of the Chair of the Board of Directors. The Chair will determine the appropriate course of action to resolve the conflict of interest. Relevant circumstances for consideration by the Chair of the Board of Directors include:
 - (i) the Board member's duty of undivided loyalty to the WCB;
 - (ii) the nature and magnitude of the Board member's personal interest;
 - (iii) the consequences to the WCB of the Board member not participating in the decision;
 - (iv) the importance of having worker and employer perspectives on a particular decision;
 - (v) the availability of alternate Board members who do not have a conflict of interest;
 - (vi) the extent of possible harm or prejudice to a third party;
 - (vii) the impropriety of the Board member profiting in any way from the Accident Fund; and
 - (viii) the reputation of the WCB and keeping that reputation above reproach.
- (f) An actual or apparent, potential or perceived conflict of interest involving the Chair of the Board of Directors shall be brought to the attention of the Board of Directors' Governance Committee, who will determine the appropriate course of action to resolve the conflict of interest.

19. Declaration of Personal Interests

- (a) Board members must, upon commencement of their term, fill out a “Declaration of Personal Interest” form and provide it to the Chair of the Board of Directors, setting out all activities (business and otherwise) in which they are involved which might reasonably be construed as, or giving rise to, a conflict of interest. Members must also advise the Chair of any associated changes that subsequently occur.
- (b) On an annual basis, where applicable, Board members must inform the Chair of any related party relationships and related party transactions between the Board member and the WCB that is outside the scope of the Board member acting in the capacity of a Board member. Such information is subject to financial statement disclosure in compliance with International Financial Reporting Standards (“IFRS”) rules.
- (c) Without limiting the generality of the foregoing, examples of activities which must be disclosed to the Chair of the Board of Directors include:
 - (i) the Board member’s business interests;
 - (ii) the Board member’s material contracts;
 - (iii) any pecuniary or personal interests of related parties to the Board member that may place or seem to place the Board member in a conflict of interest with respect to any decision of the Board of Directors; and
 - (iv) positions held by the Board member in other corporations, tribunals, societies, associations, charities, etc.
- (d) Notwithstanding the foregoing, for financial statement purposes, the following related party relationships are subject to disclosure:
 - (i) Provision or receipt of services to or from the WCB by the Board member acting outside of his or her capacity as a Board member;
 - (ii) Transactions with the WCB through business interests in which the Board member and/or a close family member has a controlling or significant interest;
 - (iii) Transactions with the WCB through close family members of the Board member and/or business interests with control or significant interest held by close family members; and
 - (iv) Any material financial or other benefit received by related parties other than (i), (ii) and (iii), by virtue of the Board member’s position with the WCB.

20. Development for Board Members

- (a) Board members, in consultation with the Chair, will take responsibility for directing and managing their own development and education regarding their roles and responsibilities as set out in the Board Member Profile and Director Orientation and Training process guidelines.
- (b) Board member development and education will include:
 - (i) an orientation for new members;
 - (ii) ongoing education of governance best practices;
 - (iii) attendance at the annual Board of Directors retreat; and
 - (iv) education about the business of the WCB and new programs.

21. Evaluation

- (a) The Board of Directors is committed to assessing its performance as it relates to ongoing governance.
- (b) Individual Board members, including the Chair, will be evaluated in terms of their contributions to the overall effectiveness and vitality of the Board of Directors on an annual basis. Evaluation will include self, peer and chair feedback.
- (c) The effectiveness of the Board of Directors as a whole will be evaluated and will involve a discussion by the full Board of Directors at least once annually.

Part IV: Operations

22. General

- (a) The following sets out the broad operations of Board members at meetings and on a day-to-day basis.

23. Nominations

- (a) The Board of Directors may provide nominations for the position of Board member to the Minister responsible for the *WCA*. When making these nominations, the Board of Directors strives to achieve a diverse and gender-balanced Board.
- (b) The Chair may:
 - (i) discuss any upcoming vacancy on the Board of Directors with the Minister responsible for the *WCA*; and
 - (ii) work with the Minister responsible for the *WCA* in the nomination and selection process.

24. Annual Planning Cycle

- (a) The Chair of the Board of Directors and the Secretary of the Board are responsible for maintaining an annual planning cycle from which the Chair approves the meeting agendas for the Board of Directors.
- (b) Activities included on meeting agendas shall be consistent with:
 - (i) the annual planning cycle; and
 - (ii) the operational needs of the *WCB*.

25. Remuneration

- (a) Each Board member will be remunerated as prescribed by an Order in Council and government authority.
- (b) Remuneration is based on the following:
 - (i) payments for services rendered are approved by the Chair of the Board of Directors in the case of board members, and by the Chief Financial Officer in the case of the Chair;
 - (ii) travel, living and other associated expenses properly incurred by Board members in connection with the affairs of the WCB, in accordance with the expense reimbursement normally granted to employees of the WCB, are approved by the Chair of the Board of Directors;
 - (iii) management audit services will audit remuneration and expenses of Board members annually and provide a report to the Chair of the Board of Directors and the President; and
 - (iv) the Chief Financial Officer will review the remuneration and expenses of the Chair and Board members, and report to the Finance Committee.

26. Board of Director Meetings

- (a) Board meetings shall be held to conduct the business of the Board of Directors. Meetings will follow these guidelines:
- (i) **Absenteeism:** Board members who are unable to attend a Board of Directors meeting must give prior notice to either the Chair of the Board of Directors, an appointed designate or the Secretary of the Board. Any Board member who is absent from a regularly scheduled Board of Directors meeting without due cause or has failed to give prior notice of their absence, shall meet with the Chair to explain the reason for their absence. Any Board member who is absent from two consecutive regular meetings without due cause or has failed to give prior notice to the Chair or the Secretary of the Board of the reason for their absences may be subject to a recommendation from the Chair to the Minister responsible for the WCB to rescind their appointment as a Board member.
 - (ii) **Agenda content and preparation:** In accordance with the annual planning cycle, those issues that are within the governance role and responsibilities of the Board of Directors shall be placed on the agenda. The Chair shall prepare the meeting agendas jointly with the President. Board members and the President may request additions, deletions or deferrals of business from the agenda at the discretion of the Chair.
 - (iii) **Authority to preside:** The Chair, or the Board member acting as the Chair, presides at all meetings of the Board of Directors.
 - (iv) **Conduct:** Sufficient time shall be allocated for the meeting as a whole and for individual agenda items to enable all views to be heard and considered before decisions are taken. Board members shall participate as equals in the discussion and dissenting points of view shall be encouraged. Board members shall participate productively in discussions within the boundaries of conduct identified within this policy.
 - (v) **Frequency and location:** The Board of Directors shall meet regularly each month or at such times as found acceptable by the Board of Directors, provided that in no case more than three months elapse between meetings. A meeting may be convened at any time by the Chair of the Board of Directors. Meetings may be held at any place in Alberta, as determined by the Chair. Meetings may also be held through teleconferencing.
 - (vi) **In Camera meetings:** Time shall be reserved at each meeting of the Board of Directors for a two tier *in camera* session. The President will be present for the first portion of the *in camera* and absent for the second portion. *In camera* sessions may be scheduled in some committee meetings. An unscheduled *in camera* session may also be

initiated during Board and committee meetings with or without the President present.

- (vii) **Notice:** Board Members shall receive notice of all meetings not less than three clear business days before the meeting is to take place. The Secretary of the Board shall give notice in writing of all meetings. Meetings of the Board of Directors may be held without notice if all Board members are present or those absent waive notice or signify their consent in writing to the meeting being held in their absence.
- (viii) **Preparation:** Information provided to Board members in support of the agenda items shall be reviewed. Board members shall be prepared to participate in the meeting discussions.
- (ix) **Quorum:** At least one-half of the number of members appointed by Order in Council shall constitute a quorum at a meeting of the Board of Directors.
- (x) **Records:** Minutes shall be kept of all meetings of the Board of Directors and such minutes shall be approved with or without amendment and signed by the Chair and the Secretary of the Board, and shall constitute the record of proceedings of the WCB. The Secretary of the Board or an appointed designate will serve as the recording secretary of the meetings of the Board of Directors for the purpose of reporting the minutes of all Board of Directors meetings.
- (xi) **Rules of Order:** The Board of Directors shall conduct their meetings in accordance with the principles articulated in *Wainberg's Company Meetings*, as may be adopted by the Chair, or such other rules as the Chair may, from time to time, adopt.

27. Evidence Gathering

- (a) The Board of Directors may, at their discretion, obtain any information or retain any expert, to acquire sufficient knowledge respecting the matter before them to enable them to fulfill their responsibilities wisely.

28. Voting

- (a) Only Board members who are present (including those present by way of teleconference) at a Board of Directors meeting shall be eligible to vote on a motion or decision. Voting by way of proxy shall be prohibited.
- (b) Notwithstanding section 26(a)(vii) of this policy, in the case of an emergency or exigent circumstances, as determined by the Chair, the Chair may call an emergency meeting and may authorize voting by way of email or fax.
- (c) A motion is passed when a majority of Board members in attendance vote in favour of that motion.
- (d) The Chair (or in Chair's absence, the Board member chairing the meeting) will not cast a vote on any motion before the Board of Directors unless there is a tie vote after all other Board members in attendance have voted, in which event the Chair (or chairing member) will cast the deciding vote.

29. Communication

- (a) Board members will speak as a unified voice in communications to the WCB's stakeholders, once a decision is made.
- (b) The Chair represents the Board of Directors to government, outside parties, stakeholders, the media and at the Annual General Meeting. This authority may be delegated, but the Chair remains accountable for its use.
- (c) Board members may, under the direction of the Chair, undertake direct dialogue with the WCB's stakeholders focusing on strategic issues and policies in order to ensure a broad understanding of issues.
- (d) Specific questions from third parties such as individuals, the media and/or stakeholders to Board members should be directed to the Chair and management of the WCB.

30. Conflict and Severability

- (a) In the case of a potential conflict between this policy and the *WCA* or the *Workers' Compensation Regulation*, the provisions of this policy are to be interpreted to the extent reasonably practical so as to eliminate the conflict.
- (b) If it is not possible to interpret the provisions of this policy to eliminate a conflict referenced in section 30(a), the conflicting provisions of this policy shall be considered as severable from this policy and of no force and effect. The balance of the policy shall remain in force and be binding as if the conflicting provisions had not been included.
- (c) This policy shall take precedence over any other policies, directives and terms of reference adopted by the Board of Directors.

31. Statutory Immunity, Indemnity and Insurance

- (a) Pursuant to section 17 of the *WCA*, Board members will not be held personally liable for any act or decision done or made in their role as Board member, if such act or decision was made in the honest belief that it was within the jurisdiction of the WCB.
- (b) To the extent permitted by law, and in supplement of and not by way of limitation upon any rights conferred upon Board members or officers by the *WCA*, the WCB shall indemnify and save harmless a Board member, officer of the WCB, former Board member, or former officer of the WCB, and heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the Board member or officer in respect of any civil, criminal, or administrative action or proceeding to which he or she is made a party by reason of being or having been a Board member or officer if:
 - (i) the Board member or officer acted honestly and in good faith with a view to the best interests of the WCB; and
 - (ii) in the case of a criminal, administrative or regulatory action or proceeding that is enforced by a monetary penalty, he or she had reasonable grounds for believing such conduct was lawful.
- (c) Subject to any limitations as may be imposed by law, insurance may be purchased and maintained for the benefit of Board members to support and supplement the indemnity provided for in section 31(b).

32. Governance Policy Changes

- (a) Any change to this policy requires the approval of a two-thirds (2/3) majority of all current serving Board members.

33. Fiscal Year

- (a) The fiscal year for the purposes of the Board of Directors shall be from January 1 to December 31 of each calendar year.

34. Execution of Documents

- (a) The Chair shall sign all official correspondence and documents on behalf of the Board of Directors, including communications with the Minister, the Legislature, legislative committees, stakeholders and other workers' compensation agencies.
- (b) The Chair shall sign all minutes, orders, and other documents pertaining to decisions of the Board of Directors.

Part V: Executive Relationship

35. Role of the President

- (a) The President is the chief executive officer of the WCB and is the Board of Directors' link to the administration of the WCB. The President is accountable to the Board of Directors as a whole and all communication to the Board of Directors on behalf of the WCB is through the President. As such, the President is accountable for the performance and employees of the WCB and exercises all authority delegated by the Board of Directors through corporate governance policy.
- (b) For the purpose of governance, the President is considered the only employee and, as such, the Board of Directors directs and authorizes the President to:
 - (i) achieve results through the establishment of corporate objectives;
 - (ii) provide and implement a development and succession plan annually;
 - (iii) advise and inform on the operating, planning and development functions of the WCB;
 - (iv) delegate authority, implement policy, establish procedures, make all decisions, take all actions, establish all practices, and develop all activities to conduct the business of the WCB; and
 - (v) enter into employment agreements with officers of the WCB setting out terms and conditions of employment, benefits and salary and advise of subsequent changes.
- (c) In exercising due diligence, the Board of Directors provides parameters for achieving results. As such, the President will:
 - (i) ensure that WCB assets are protected, adequately maintained and not unnecessarily risked;
 - (ii) operate with strategies that adequately respond to the nature and level of risk, risk parameters, impairment and loss of assets;
 - (iii) protect the WCB's public image and credibility, particularly in ways that facilitate the accomplishment of the corporate mission;
 - (iv) provide a budget that contains sufficient information to enable credible projection of revenues and expenses; separation of capital, operational and notes to the budget; cash flow and disclosure of planning assumptions;
 - (v) provide a budget that supports the achievement of the corporate objectives;
 - (vi) protect the fiscal soundness of future years and facilitate the building of organizational capability sufficient to achieve the corporate objectives in future years;

- (vii) operate consistently with the funding policy and investment policy;
 - (viii) operate the WCB with financial management control systems and financial records using generally accepted accounting principles; and
 - (ix) advise the Board of Directors of any significant change in accounting policy.
- (d) In discharging the foregoing role, the President shall regularly meet with the Chair, as necessary, to discuss ongoing issues.

36. Monitoring Performance of the President

- (a) The Board of Directors will oversee and assess the performance of the President, consistent with assessing the performance of the WCB, by regularly monitoring the performance of the President against the beliefs and values, corporate governance policy, corporate objectives and individual performance expectations.
- (b) Monitoring will include:
- (i) ongoing reports from the President;
 - (ii) information and reports, as requested;
 - (iii) regularly reviewing corporate performance; and
 - (iv) reports from external and internal audit and actuary.
- (c) All members of the Board of Directors will complete a formal evaluation of the President annually. Feedback to the President will be provided by the Chair of the Human Resource & Compensation Committee and the Board Chair. The Chair of the Board of Directors is responsible for having ongoing performance discussions with the President regarding performance expectations.

Appendix A: Glossary of Terms

Accident Fund

Comprises all assets, including reserves, owned whether beneficially or otherwise by the WCB. All money received by the WCB shall be paid into the Accident Fund and all expenditures of the WCB shall be paid from the Accident Fund.

Accountability

The obligation to answer for a responsibility that has been conferred.

Authority

The right of one person to require another to fulfill specific duties; power to command or make decisions.

Beliefs and Values

Defined as the principles and standards that are valuable or important to the WCB.

Board

Refers to the Board of Directors of the WCB.

Board member

Refers to a member of the Board of Directors of the WCB.

Close family members

Includes spouses, domestic partners, and adult interdependent partners; children including those of a spouse, domestic partner or adult interdependent partner; and dependents or other immediate family members including those of a spouse, domestic partner or adult interdependent partner.

Code of Conduct

Standard of moral and ethical behavior expected or as prescribed by the Board of Directors.

Conflict of interest

Any situation in which a person's ability to act in the best interest of the WCB is or could be directly or indirectly compromised by personal, business or other interest.

Corporate objectives

Specific objectives determined by the President that will enable the administration to achieve the direction and results set by the Board of Directors.

Diversity

Disagreements and opposing points of view expressed by members of the Board of Directors in the deliberation of issues.

Duty of care

Board members, in exercising their powers and discharging their duties, shall act honestly and in good faith with a view to the best interests of the WCB and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. (*Alberta Business Corporations Act*, s. 122)

Evaluation

Process of measuring organizational and individual performance against established and desired values, standards, policies, goals and objectives.

Executive relationship

The relationship formed around the accountability between the Board of Directors, the Chair and the President.

Governance

A structure and process to direct and monitor the management of the business and affairs of the WCB.

Mission

The reason for the WCB's existence.

Officers

Officers means the President, Vice Presidents, Chief Financial Officer and Secretary and General Counsel of the WCB.

Personal interest

Includes an existing or prospective business, employment, commercial or financial interest or affiliation of a Board member or a related party, whether direct or indirect, where the interest or affiliation is greater than that of the general public.

Policy

Refers to a document approved by the Board of Directors in accordance with section 6(a) of the *WCA*.

President

Defined as President and Chief Executive Officer (CEO) of the WCB.

Proactive

Taking initiative and providing leadership in creating desired events and circumstances rather than just reacting and responding to events and circumstances.

Procedures

Management's directions to staff on how policy is to be interpreted and implemented.

RABCCA

Means the *Reform of Agencies, Boards and Commissions Compensation Act*.

Related parties

Includes close family members of Board members.

Also includes other persons, firms, partnerships, associations, organizations, groups, companies or corporations related to or associated with a Board member in which the Board member has a controlling or significant interest (generally understood to be more than 20% of voting shares, or holds a senior management position).

Under IFRS, related parties include key management personnel, which are comprised of senior management and members of the relevant Board of Directors.

Stakeholder

Includes groups, government, safety associations, medical providers and all other groups or individuals affected by the workers' compensation system.

Succession planning

Planning undertaken for senior executives to assume the roles and responsibilities of the President in the event the position is vacated to ensure continuity of operations and the continued leadership and vitality of the WCB.

Vision

The desired future to which the WCB aspires.

WCA

Means the *Workers' Compensation Act*.

WCB

Refers to the Alberta corporate entity known as The Workers' Compensation Board.

Appendix B: Meredith Principles

The Workers' Compensation Board is guided by a set of fundamental principles articulated nearly 100 years ago by then Chief Justice of Ontario, Sir William Meredith. In his report on workers' compensation, he outlined what is now commonly referred to as the Meredith Principles:

No-fault compensation

Workplace injuries are compensated regardless of fault. The worker and employer waive the right to sue. There is no argument over responsibility or liability for an injury. Fault becomes irrelevant, and providing compensation becomes the focus.

Collective liability

The total cost of the compensation system is shared by all employers. All employers contribute to a common fund. Financial liability becomes their collective responsibility.

Security of payment

A fund is established to guarantee that compensation monies will be available. Injured workers are assured of prompt compensation and future benefits.

Exclusive jurisdiction

All compensation claims are directed solely to the compensation board. The board is the decision-maker and final authority for all claims. The board is not bound by legal precedent; it has the power and authority to judge each case on its individual merits.

Independent board

The governing board is both autonomous and non-political. The board is financially independent of government or any special interest group. The administration of the system is focused on the needs of its employer and worker clients, providing service with efficiency and impartiality.

Appendix C: Principles of Alberta Workers' Compensation

The principles contained in Sir William Meredith's 1913 Final Report are the foundation of workers' compensation in Alberta. Since 1913, these principles have evolved to reflect changing conditions. The principles are intended to be a "living document" and will continue to evolve as circumstances necessitate.

Today, the Workers' Compensation Board - Alberta operates according to the following principles*, which apply to all workers and employers protected by the Alberta *Workers' Compensation Act*. These principles provide direction to management in the development of policy and establish a frame of reference for the Board of Directors for policy decision-making. The principles also provide staff, management, our clients and the general public with guidance on the interpretation and application of policy. The principles are intended to provide the "why" or philosophical basis behind the policies. The articulation of principles provides transparency and points of reference for all stakeholders so that policy decisions of the Board of Directors can be better understood.

* These principles were approved as part of the Mandate & Roles document on October 31, 2013 (BoD Resolution 2013/08/30)

SYSTEM

1. Exclusive Jurisdiction

The WCB has sole authority to determine all questions or matters arising under the *WCA*, subject only to review and appeal.

2. No Fault Benefits

The WCB assumes liability for the injury in work-related circumstances despite the presence of fault on the part of a worker or employer.

3. Protection from Lawsuit

Protection from lawsuit applies where the activities causing the injury are part of an employer's normal insured activities. Workers' compensation is meant to replace any tort remedy for that injury.

4. Employer Financing of System

Employers are required to pay the full cost of the system through premiums.

5. Neutral Administrator

The WCB is a neutral and autonomous administrator of the workers' compensation system and strives to balance the interests of workers and employers.

6. Fairness

Decision-making is based on evidence, law and policy and a fair, impartial and transparent process.

7. Leveraging Prevention

The WCB will offer pricing programs to employers that encourage safer workplaces and promote disability management.

FINANCIAL / PREMIUM

8. Balance between Collective Liability and Individual accountability

The premium structure should reflect a balance between collective liability and individual employer accountability.

9. Full Funding

The funding of the workers' compensation system must ensure there are sufficient funds on hand to meet present and future liabilities. Furthermore, the objectives of funding should be to minimize the risk of being unfunded, cost volatility and overall cost to employers while ensuring intergenerational equity among employers.

BENEFIT

10. Work-Relatedness

The WCB determines whether the injury or illness is caused by work and compensates accordingly.

11. Focus on Safe Return to Work

The system should focus on safely restoring an injured worker, through return-to-work services, to a level of competitive employability.

12. Retrospective Earnings

The worker's historical earnings (up to a prescribed maximum) form the basis of the compensation rate, which is a percentage of the earnings, recognizing deductions that workers normally pay and encouraging return-to-work.

13. Health Care

The WCB decides the nature, sufficiency and cost of health care, bearing in mind individual needs and medical efficacy.

14. Quality of Life for Severely Injured Workers

The WCB should take reasonable measures to maintain a reasonable quality of life for severely injured workers through the provision of services allowed by legislation and policy.

15. Survivor Benefits

Survivor benefits should make reasonable provision for the spouse and any dependent children of the deceased worker.**

** As a result of the *Adult Interdependent Relations Act*, benefits available to spouses may also be available to adult interdependent partners as defined by the *AIR Act*.

Appendix D: Relevant portions of the WCA

Part 1 Workers' Compensation Board

Continuation

2(1) The corporation previously established and known as The Workers' Compensation Board is continued.

(2) The office of the Board shall be located in Edmonton.

1988 c45 s3

Corporate powers

3 The Board has the capacity and the rights, powers and privileges of a natural person.

1988 c45 s3;1995 c32 s3

Staff

4(1) Without limiting the generality of section 3, but subject to section 12(1), the Board may, notwithstanding any other enactment, hire the employees it considers necessary for the purposes of administering this Act and carrying out the business and affairs of the Board.

(2) Neither the Board nor the Crown shall provide variable pay to a member or employee of the Board.

(3) In subsection (2), "variable pay" means a bonus or other incentive pay provided in addition to base salary as defined in the regulations.

RSA 2000 cW-15 s4;2002 c27 s4;2017 c25 Sched.2 s5

Board of directors

5(1) There shall be a board of directors of the Board, to be appointed by the Lieutenant Governor in Council, consisting of

- (a) a member who shall be the chair,
- (b) not more than 3 members whom the Lieutenant Governor in Council considers to be representative of the interests of employers,
- (c) not more than 3 members whom the Lieutenant Governor in Council considers to be representative of the interests of workers, and
- (d) not more than 3 members whom the Lieutenant Governor in Council considers to be representative of the interests of the general public.

(1.1) For an appointment of members

- (a) under subsection (1)(b), the persons must be selected from a list of at least 7 persons, each of whom is nominated by one or more organizations that represent employers or classes of employers,

- (b) under subsection (1)(c), the persons must be selected from a list of at least 7 persons, each of whom is nominated by one or more organizations that represent workers or classes of workers, and
- (c) under subsection (1)(d), the persons must be selected from a list of at least 7 members of the public who applied for a position on the Board but who are not members of organizations that represent employers or workers,

but where only one person is being appointed, a list of at least 3 persons is required.

(2) Repealed 2017 c25 Sched.2 s6.

(3) The Lieutenant Governor in Council may designate one or more members referred to in subsection (1)(b), (c) or (d) as vice-chairs.

(4) The chair is, by virtue of the chair's office, a member of all committees of the board of directors.

(5) In the event of the chair's absence or inability to act, the senior vice-chair shall act in the chair's place and assume all of the chair's powers and responsibilities.

(6) A member of the board of directors shall be appointed for a term not to exceed 3 years, and is eligible for reappointment for one additional term, not to exceed 3 years.

(6.1) Notwithstanding subsection (6) but subject to the *Alberta Public Agencies Governance Act* and any applicable regulations under that Act, the Lieutenant Governor in Council may, on the recommendation of the Minister, reappoint a member of the board of directors for a third term not exceeding 3 years.

(6.2) The Minister may recommend that a member be reappointed under subsection (6.1) if, in the opinion of the Minister, the reappointment would be beneficial to the Board.

(7) Notwithstanding subsections (6) and (6.1) but subject to the *Alberta Public Agencies Governance Act* and any applicable regulations under that Act,

- (a) if a person other than a member of the board of directors is appointed chair, the person is eligible to serve as chair for a maximum of 3 terms not exceeding 3 years each, and
- (b) if a member of the board of directors is appointed chair, the member is, subject to subsection (8), eligible to serve as chair for a maximum of 3 terms not exceeding 3 years each.

(8) No person is eligible to serve on the board of directors for more than 10 years, taking into account the total number of years served as a member of the board of directors and as chair.

RSA 2000 cW-15 s5;2009 cA-31.5 s80;2017 c25 Sched.2 s6

Duties of board of directors

6 The board of directors

- (a) shall
 - (i) determine the Board's compensation policy,
 - (ii) review and approve the programs and operating policies of the Board, and

(iii) consider and approve annual operating and capital budgets of the Board,

and

(b) may enact bylaws and pass resolutions for the conduct of the business and affairs of the Board.

1988 c45 s3;1990 c39 s2

Meetings of board

7(1) Meetings of the board of directors shall be held at the call of the chair at any place in Alberta that the chair determines, and in no case shall more than 3 months elapse between meetings of the board.

(2) A majority of the members of the board of directors appointed constitutes a quorum at any meeting of the board.

(3) When there is a vacancy on the board of directors, the remaining directors may exercise all of the powers of the board.

RSA 2000 cW-15 s7;2002 c27 s5

Annual meeting open to public

7.1(1) The Board shall hold an annual general meeting, which must be open to the public.

(2) The Board shall publish notice of the annual general meeting referred to in subsection (1) on the Board's website and in any other manner that the Board considers most likely to bring the notice to the attention of the public.

(3) The purpose of the annual general meeting is to discuss the reports presented under subsection (4) and any matters raised in relation to the reports by those present at the meeting.

(4) The Board shall ensure that the following reports are presented at the annual general meeting:

(a) the report of the chair on behalf of the board of directors;

(b) the report of the President;

(c) the report referred to in section 93(4) for the preceding calendar year.

2002 c27 s6;2017 c25 Sched.2 s7

President of Board

8(1) The board of directors of the Board shall select and appoint a person to be the President of the Board.

(2) The salary and benefits of the President shall be determined by the board of directors of the Board and shall be paid out of the Accident Fund.

(2.1) The salary and benefits referred to in subsection (2) must be determined in accordance with any applicable regulations under the *Alberta Public Agencies Governance Act*.

(3) The President shall

(a) be the chief executive officer of the Board,

- (b) advise and inform the board of directors on the operating, planning and development functions of the Board,
- (c) be responsible for the implementation of policy as established by the board of directors,
- (d) in accordance with policy as established by the board of directors, be responsible for all functions related to personnel, and
- (e) carry out any other functions and duties assigned to the President by the board of directors.

(4) The President may in writing

- (a) delegate to an employee of the Board any of the President's powers or duties, subject to any terms and conditions set out in the delegation, and
- (b) designate an employee of the Board to act in the President's place and assume all of the President's powers and responsibilities during the President's temporary absence.

RSA 2000 cW-15 s8;2009 cA-31.5 s80

Remuneration

9 The remuneration of the members of the board of directors of the Board shall be prescribed by the Lieutenant Governor in Council and shall be paid out of the Accident Fund.

RSA 2000 cW-15 s9;2017 c25 Sched.2 s8

Regulations under the Alberta Public Agencies

Governance Act prevail

9.1 If regulations under the *Alberta Public Agencies Governance Act* apply in respect of remuneration referred to in section 9, those regulations prevail, to the extent of any conflict or inconsistency, over any regulations prescribing remuneration under that section.

2009 cA-31.5 s80

Appendix E: Confidentiality Agreement

Confidentiality Agreement

This Confidentiality Agreement (the “Agreement”) is made by and between The Workers’ Compensation Board - Alberta (“WCB”) and _____ (the “Board Member”) (collectively referred to as the “Parties”).

WHEREAS the Board Member is a member of the WCB’s Board of Directors (the “Board”) as appointed by the Lieutenant Governor in Council;

AND in consideration of the remuneration payable to the Board Member by the WCB;

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. The Board Member acknowledges that he or she is in a fiduciary relationship with the WCB;
2. The Board Member acknowledges that he or she will have access to proprietary and confidential information concerning the WCB, its employees and its clients, including without limitation, business affairs, plans or strategies, working papers, the subject matter of the Board’s oral deliberations, memoranda, financial information, trade secrets, data and other material (hereinafter collectively referred to as “Confidential Information”).
3. The Board Member agrees that he or she shall not disclose any Confidential Information without the express approval of the Board. Specifically, all legal opinions, financial and policy development information, written material brought before the Board or a Board Committee, or information which is otherwise designated as confidential by the WCB, shall be deemed private and confidential and shall not be disclosed unless so authorized by the Board. The Board Member agrees not to divulge or allow to be divulged any Confidential Information except in performance of his or her duties or under the authority of the Board.
4. The Board Member agrees that, to the extent possible and concurrent with the end of the Board Member’s appointment to the Board, the Board Member will promptly return to the WCB all Confidential Information and all copies thereof in his or her possession, in any form whatsoever, and agrees to make no further use or disclosure thereof.
5. The Board Member acknowledges that any breach of this Agreement will cause the WCB irreparable damage, and the WCB shall have the right to equitable and injunctive relief to prevent the unauthorized use or disclosure, and to such damages as are occasioned by such unauthorized use or disclosure, and the Board Member hereby consents to the granting of such equitable and injunctive relief.

6. The Board Member further acknowledges that he is subject to the provisions of sections 147 and 148 of the *Workers' Compensation Act*, and is subject to prosecution for breaching confidentiality in addition to being liable to suit by the WCB.
7. The obligations herein may not be changed or modified, released or terminated, in whole or in part, except by agreement in writing signed by an officer of the WCB and the Board Member.
8. The Board Member hereby acknowledges that the obligations imposed herein shall survive the termination of the Board Member's dealings or appointment with the WCB. The Board Member agrees that he or she shall not act, after ceasing to be a Board Member, in such a manner as to take improper advantage of his or her previous position with the WCB.
9. All of the covenants and obligations herein contained on the part of either Party shall apply to and enure to the benefit of and be binding upon their respective legal representatives, successors and assigns.
10. The Board Member acknowledges receipt of a copy of this Agreement, and that the Board Member has had a reasonable opportunity to review and to seek independent legal advice regarding this Agreement prior to execution by the Board Member.
11. If any provision of this Agreement shall be held invalid, illegal or unenforceable then, in such event, the remainder of the Agreement shall still be and continue to be in full force and effect as if such invalid, illegal or unenforceable provision had been deleted from or never included in this Agreement.
12. This Agreement and the obligations of the Parties hereunder shall be governed by and interpreted and enforced in accordance with the laws of the Province of Alberta.
13. The Board Member acknowledges his or her awareness of the provisions of the WCB Board of Directors *Corporate Governance Policy Manual*, and hereby agrees to be bound by the obligations contained therein.

IN WITNESS WHEREOF the Parties have signed this Agreement, on the _____ day of _____, _____.

THE WORKERS' COMPENSATION BOARD

 Witness (signature)
 Print Name: _____

Per: _____

 Witness (signature)
 Print Name: _____

Per: _____
 DIRECTOR

Appendix F: Declaration of Personal Interests

Declaration of Personal Interests

(Forms completed and signed by Directors are of a personal and confidential nature and will be treated by the WCB as such)

I, the undersigned, hereby declare that:

1. I am a director or officer of, or have a direct or indirect material interest in, the following businesses or organizations (including, as the case may be, corporations, partnerships, sole proprietorships, tribunals, societies, associations or charities):

BUSINESS(ES) OR NATURE OF INTEREST
ORGANIZATION(S)

- a. _____
- b. _____
- c. _____
- d. _____
- e. _____

and I am to be regarded as interested in any contract made with any of the foregoing.

2. To the best of my knowledge, the following contracts are in place between the Workers' Compensation Board and the businesses and organizations listed in paragraph 1 above:

BUSINESS(ES) OR NATURE OF CONTRACT
ORGANIZATION(S)

- a. _____
- b. _____
- c. _____
- d. _____
- e. _____

3. Should my personal situation with regard to the above change before the yearly renewal of this Declaration, I will notify the Chair of the Board or, in his or her absence, the Secretary of the Board, as soon as possible.
4. In the event that a member of my immediate family (that is, my spouse, parents, children and siblings) is a party to a material contract or a proposed material contract with the Workers' Compensation Board, or is a director or officer of, or has a material interest in, any business or organization which is a party to a material contract or a proposed material contract with the Workers' Compensation Board, I will notify the Chair of the Board or, in his or her absence, the Secretary of the Board, as soon as possible.

Name of Director

Signature

Date

Appendix G: Indemnity and Save Harmless Undertaking

Date:

To: _____ (“the Board Member”)

From: _____
President & CEO
Workers’ Compensation Board - Alberta

Indemnity & Save Harmless Undertaking

To the extent permitted by law, and in supplement of and not by way of limitation upon any rights conferred upon Board members by the *Workers’ Compensation Act* (Alberta), the Workers’ Compensation Board – Alberta (“the WCB”) hereby indemnifies and saves harmless the Board member, and his/her heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the Board member in respect of any civil, criminal, or administrative action or proceeding to which he or she is made a party by reason of being or having been a Board member if:

- (a) the Board member acted honestly and in good faith with a view to the best interests of the WCB; and
- (b) in the case of a criminal, administrative or regulatory action or proceeding that is enforced by a monetary penalty, he or she had reasonable grounds for believing such conduct was lawful.

[Name of President & CEO]
President & CEO