

## Governance, Human Resources and Compensation Committee Meeting

August 17, 2020  
3:30 pm - 5:00 pm

By Videoconference  
**Zoom Meeting ID: 850 6617 6553 - Password: 617904**

### AGENDA

AGENDA ITEM	TIME	SPEAKER(S)
<b>D</b> 1. <i>In camera</i> session (without president)	3:30-3:40	A. Wong
<b>D</b> 2. <b>Opening remarks by the chair</b> 2.1 Adoption of the agenda* 2.2 Board and committee work plan*	3:40-3:42	A. Wong
<b>M</b> 3. <b>Consent agenda</b> 3.1 Approval of minutes from previous meeting* 3.2 Vacation of office – director and chair* 3.3 Membership applications*	3:42-3:45	A. Wong
<b>D</b> 4. <b>2020 CNA Annual Meeting of Members*</b> 4.1 Meeting update 4.2 Call for nominations for election to board	3:45-4:05	A. Wong
<b>D</b> 5. <b>CNA chair succession*</b> 5.1 Conflict of interest declaration	4:05-4:40	A. Wong
<b>D</b> 6. <i>In camera</i> session (with and without president)	4:40-5:00	A. Wong

### LEGEND

**M** Motion required      **D** For discussion  
**I** Information            \* Items with attachments



## Board and Standing Committee 2020 Work Plan

Topic/Item	Committee	Q1			Q2			Q3			Q4			When Performed		
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annually	Every 3 years	As Required
<b>1. Strategic Planning</b>	Oversight of strategic planning process and the implementation and effectiveness of the strategic plan															
1.1 Review and approve 2020 priorities	Executive	○	○●											✓		
1.2 Review and approve CNA refurbishment strategy and business plan	Executive	✱	✱		✱		○●				○●				✓	✓
1.3 Review strategic financial plans	Exe. & Fin.				○		●				○	○	○●		✓	✓
1.4 Review targets and progress against priorities and business plan <sup>1</sup>	Executive	○	○●		○●		○●			○●			○●	✓		
<b>2. Financial Oversight</b>	Oversight of financial matters, including financial reporting and disclosures															
2.1 Quarterly financial results and forecast	Finance	○	●		○		●			○●			○●	✓		
2.2 Operating budget for Q3 and Q4, 2020	Finance						○●									✓
2.3 Operating and capital budget for fiscal year ending December 31	Finance									○		○	○●	✓		
2.4 Annual audited financial statements	Finance	○	● <sup>2</sup>											✓		
2.5 Selection and appointment of public accountant to hold office, including fixing compensation of auditor	Finance	○					○●				⊙			✓		✓
2.6 Review financial policies, procedures and internal accounting controls	Finance	○	○●				○●			○		○	○●		●	✓
2.7 Review property management and insurance coverage	Finance												○	✓		

<sup>1</sup> Achieved, in part, via CNA president's report and program updates.

<sup>2</sup> Approval must be evidenced by the manual signature of one or more directors or a facsimile of the signatures reproduced in the statements (NFP Act, s. 178(1)).

Topic/Item	Committee	Q1			Q2			Q3			Q4			When Performed		
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annually	Every 3 years	As Required
2.8 Review portfolio performance	Finance				○					○			○	✓		✓
2.9 Review performance with investment managers	Finance												○	✓		
<b>3. Governance and Compliance Oversight</b>	Oversight of CNA's corporate governance framework and compliance with governing documents															
3.1 Review articles of incorporation and by-law	GHRC														✓	
3.2 Review governance policies and procedures	GHRC				○					○			●●	✓		✓
3.3 Review board and committee work plans	GHRC/All	○	●●											✓		
3.4 Review committee terms of reference	GHRC/All									○			●●			
3.5 Director nomination and election	GHRC				○		●			○	⊙			✓		✓
3.6 Select and appoint board officers and committee members	N/A									○	●				✓	✓
3.7 Evaluate and review the performance of the board, its committees, the chair and individual directors	GHRC									○			●●	✓		
3.8 Review and monitor compliance with statutory filings, reporting and internal governance policies	GHRC	○	●●											✓		
3.9 Review directors' and officers' liability coverage	GHRC									○			●●		✓	
<b>4. Compensation, Evaluation and Succession</b>	Oversight of CNA policies and procedures related to appointment, compensation, performance evaluation and succession planning of CEO and other designated officers.															
4.1 Review succession planning processes for the board, CEO and other senior executives	GHRC									○			●●	✓		✓
4.2 Review performance expectations, corporate goals and objectives for CEO	GHRC				○									✓		✓

Topic/Item	Committee	Q1			Q2			Q3			Q4			When Performed			
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annually	Every 3 years	As Required	
<b>5. People Management</b>	Oversight of CNA policies, procedures and practices related to people management (HR policies, procedures and practices).																
5.1 Review HR policies, procedure and practices, including succession planning	GHRC										○			●●	✓		
5.2 Monitor compliance with HR policies and procedures	GHRC													●●	✓		
5.3 Review and approve annual parameters for CNA staff compensation	GHRC													●●	✓		
<b>6. Membership</b>	Oversight of the process whereby organizations who have applied for CNA membership are accepted by resolution of the board.																
6.1 Review membership structure (categories and criteria) and the contributions and dues (if any) to be fixed by resolution of the board	GHRC & Exe.																✓
6.2 Review and accept applications for CNA membership	GHRC & Exe.	○	●●		○		●●			●●			●●				✓

## Governance, Human Resources and Compensation (GHRC) Committee Meeting Minutes

Held on April 23, 2020 at 10:00 a.m.  
By Videoconference

### MEMBERS

A. Wong (Committee Chair)

H. Ferguson

P. Tremblay

V. Tathe

J. Gorman

S. Travers

### CNA

T. Weagant

S. Kavanagh

T. Asdrubolini

Vice President

Human Resources

Corporate Secretary

### ABSENT

F. Saunders (Chair)

S. Bambino

### 1. OPENING REMARKS BY THE CHAIR

**Documents Received:** April 23, 2020 GHRC Committee Meeting Agenda.

A. Wong welcomed members. There being a quorum present, the meeting was called to order at 10:02 a.m.

The committee adopted the agenda as presented. No conflicts of interest were declared.

### 2. CONSENT AGENDA

**Documents Received:** January 30, 2020 GHRC Committee Meeting Minutes; Management Report - Notice of Vacation of Office - Directors (April 16, 2020).

**On motion duly made, seconded and unanimously carried, it was resolved to approve the consent agenda in its entirety.**

### 3. HUMAN RESOURCES (HR) OVERSIGHT

**Documents Received:** HR Oversight Presentation (April 16, 2020); Management Report - HR Quarterly Report (April 16, 2020)

The chair noted that in addition to the quarterly HR report, the item included a presentation on HR governance to address queries related to the role of the board, committee and Management on HR related matters.



In their presentation, J. Gorman, T. Asdrubolini and S. Kavanagh reported on the following:

- Conversations between the CEO and directors on opportunities to further strengthen CEO-committee communications;
- The CNA's HR governance framework, including the *Canada Not-for-profit Corporations Act*, CNA By-law No. 1, GHRC committee terms of reference, the CNA's HR policies, and the key functional areas of HR oversight incorporated in the board and committee work plan;
- The CNA's HR work plan for 2020 that is based on the HR program review completed in the fourth quarter of 2019, and includes prioritized steps for the CNA in the context of HR policies, programs and supporting systems; and
- The HR quarterly report, highlighting COVID-19 related HR measures, people workforce management, evaluation and succession, benefits and the status of the HR policy review.

Directors queried Management with discussion ensuing on a number of matters including:

- Committee expectations regarding regular and candid communications from Management on key HR decisions, strategies and risks;
- The need to better understand the CNA's existing organizational structure and talent strategy, including the number of full-time equivalent (FTE) positions to support talent and workforce planning for the CNA's broader refurb strategy; and
- Measures to support CNA employees and consultants during the COVID-19 pandemic, including additional actions taken by Management to support mental health and steps being considered to safely and cautiously re-open the office once the province eases public health restrictions.

The GHRC committee supported the HR priorities and work plan for 2020 as set out in the reports.

***ACTION: Management will present the CNA's existing organization structure at the next GHRC committee meeting.***

## **4. GOVERNANCE AND COMPLIANCE OVERSIGHT**

### **4.1 Appointment of Director to Fill Vacancy**

**Documents Received:** Management Report - Appointment of Director to Fill Vacancy (April 16, 2020).

**On motion duly made, seconded and unanimously carried, it was resolved that the GHRC committee recommend for board approval the appointment of Joe McBrearty to hold office on the CNA board and executive committee for the remainder of his predecessor's unexpired term.**

#### **4.2 Extension of Call of CNA Annual Meeting**

**Documents Received:** Management Report - Extension of Call of CNA Meeting of Members (April 16, 2020).

**On motion duly made, seconded and unanimously carried, it was resolved that the GHRC committee recommend for board approval extending the time-frame for calling the CNA's annual meeting of members and to establish a new date within one financial year (up to June 30, 2021), subject to an exemption by Corporations Canada and its terms.**

#### **4.3 Director Nomination and Election**

**Documents Received:** Management Report - Director Nomination and Election (April 16, 2020).

T. Asdrubolini reported on the process for the nomination and election of directors, and reviewed the number of directors to be elected at the CNA's next AGM. She reported that there were up to 21 director positions available on the board, but no vacancies in executive committee membership.

Directors queried the growing size of the executive committee, recent requests from board directors to be included on the executive committee, and the reasons behind the lack of staggered terms. T. Asdrubolini confirmed that the process to appoint officer positions at the CNA (including chair positions for the board and committees) will be reviewed during phase 1 of planned governance work; and that phase 2 work would focus on board and committee size.

The GHRC committee received Management's report and confirmed the number of directors to be elected to the board from each class of members at the next annual meeting.

#### **4.4 CNA Governance Documents Review**

**Documents Received:** CNA Governance Documents Review Presentation (April 16, 2020).

T. Asdrubolini reported on the inventory of CNA governance documents and the phased plan and process to update them. Directors asked a number of questions of Management with discussion ensuing on the nature and scope of short-term enhancements under the existing framework (i.e., phase 1 work), and the process being considered to review the CNA's board size and structure.

The GHRC committee supported both phases of governance work and recommended that Management use a third-party/external provider to conduct the broader review of board size/composition.

### **5. INFORMATION ITEMS**

**Documents Received:** Revised 2020 board and committee schedule (April 16, 2020); Updated board and committee work plan (April 16, 2020).

The GHRC committee received items presented for information.

***ACTION: Directors will advise the Corporate Secretary of any conflicts with the revised 2020 meeting schedule as soon as possible.***

*[J. Gorman, T. Weagant, S. Kavanagh and T. Asdrubolini left the meeting]*

**6. IN CAMERA SESSION**

The committee met *in camera* without the President.

The committee met *in camera* with the President to discuss performance expectation and objectives for the CEO and recent employee departures.

There being no further business, the meeting ended at 11:22 a.m.

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

# Management Report

## Notice of Vacation of Offices due to Death

August 17, 2020

### PURPOSE

To record a cessation in the office of director on the CNA board and executive committee, and in the office of CNA board chair due to death.

### BACKGROUND/CONTEXT

The death of F. Saunders on July 4, 2020 created vacancies in the office of director on the CNA board and executive committee, and in the office of CNA board chair.

In accordance with CNA governing documents, Bruce Power is entitled to nominate a qualified individual from its organization to fill the director vacancy on the board and executive committee for the remainder of Frank's term of office, which expires at the 2022 AGM. Bruce Power's nomination for director will be reviewed by the GHRC committee in September for recommendation to the CNA board at its Oct. 22, 2020 meeting.

The separate process for the board to appoint and/or elect a person to fill the vacancy in the office of CNA board chair will be discussed by the GHRC committee in Aug. and Sept., 2020.

The corporate secretary confirms that the CNA has complied with mandatory reporting obligations under the *Canada Not-for-profit Corporations Act* (i.e. reporting changes in directors within 15 days of the change).

# Management Report

## CNA Membership Applications

August 17, 2020

### PURPOSE

That the following organizations and/or persons who have applied for membership in the Corporation be accepted by the GHRC committee for executive committee recommendation and board approval:

- Rotaflow Controls Inc. | Class 2F
- Nuclear Innovation Institute (NII) | Affiliate CNA member

### RATIONALE

Management has reviewed the applications and is satisfied that the eligibility conditions set out in CNA By-law No. 1 have been met.

Company	Membership Category		Class and Subclass	Annual Dues
	Voting	Non-Voting		
<b>Rotaflow</b>	•		<b>2F</b>	<b>\$2,500</b>
<b>NII</b>		•	<b>Affiliate</b>	<b>\$0</b>

### APPENDICES

- Rotaflow membership application
- NII



# CNA membership application

---

date

---

class

## COMPANY NAME

---

legal

---

public

## HEAD OFFICE ADDRESS

---

street

city

province

postal code

## FACILITIES ADDRESSES

---

1) street

city

province

postal code

---

2) street

city

province

postal code

---

3) street

city

province

postal code

## COMPANY WEBSITE

---

## BRIEF DESCRIPTION OF YOUR COMPANY'S PRODUCTS AND SERVICES (50-100 WORDS)

## COMPANY STATISTICS

---

number of employees in nuclear

---

number of contractors in nuclear

### ANNUAL SALES FROM NUCLEAR

<\$1M CAD

\$1-10M CAD

\$10-25M CAD

\$25-50M CAD

\$50-100M CAD

>\$100M CAD

## COMPANY CONTACTS

---

president name

telephone

email

---

president's executive assistant name

telephone

email

---

communications name

telephone

email

---

regulatory affairs name

telephone

email

---

government relations/public affairs name

telephone

email

---

accounts payable name

telephone

email



# CNA membership application

08/06/2020

date

class

## COMPANY NAME

Nuclear Innovation Institute

Nuclear Innovation Institute (NII)

legal

public

## HEAD OFFICE ADDRESS

620 Tomlinson Dr.

Port Elgin

ON

street

city

province

postal code

## FACILITIES ADDRESSES

1) street

city

province

postal code

2) street

city

province

postal code

3) street

city

province

postal code

## COMPANY WEBSITE

www.nuclearinnovationinstitute.ca

## BRIEF DESCRIPTION OF YOUR COMPANY'S PRODUCTS AND SERVICES (50-100 WORDS)

The Nuclear Innovation Institute (NII) is an independent, not-for-profit organization that provides a platform for accelerating the pace of innovation in the nuclear industry.

The Institute is founded on the belief that the industry can enhance the vital contributions of decarbonization, job creation, economic growth and the production of radio isotopes by adopting a structured approach to fostering innovation.

Our goal is to shape a Canadian nuclear industry that embraces new thinking, new technologies and new lines of business that play a central role in the global shift to a low-carbon future.

## COMPANY STATISTICS

number of employees in nuclear

number of contractors in nuclear

## ANNUAL SALES FROM NUCLEAR

<\$1M CAD

\$1-10M CAD

\$10-25M CAD

\$25-50M CAD

\$50-100M CAD

>\$100M CAD

## COMPANY CONTACTS

Bruce Wallace, President & CEO

416-520-9746

bruce.wallace@nii.ca

president name

telephone

email

Stellina Willams, Executive Director

519-386-3485

stellina.williams@nii.ca

president's executive assistant name

telephone

email

Cara Carson

519-871-5211

cara.carson@nii.ca

communications name

telephone

email

regulatory affairs name

telephone

email

government relations/public affairs name

telephone

email

accounts payable name

telephone

email



## Report to GHRC Committee

### 2020 CNA Meeting of Members

August 17, 2020

#### PURPOSE

To update the committee on the CNA's 2020 annual meeting of members (AGM) format, and seek member input and direction on the draft call for nominations package.

#### BACKGROUND

##### A. AGM Update

As part of its COVID-19 pandemic contingency planning, Management has explored technology platforms to support a virtual-only or hybrid AGM. In determining a suitable platform, Management is considering technology platform capabilities, *Canada Not-for-profit Corporations Act* (CNCA) and CNA by-law requirements, and pricing. The platform must allow members to communicate adequately with each other, and facilitate the gathering of votes in a way that allows them to be verified, tallied and presented while maintaining votes anonymous.

Management will decide on a suitable platform by the end of August, 2020. To support member participation in the virtual-only or hybrid AGM, the CNA's advance notice of the meeting will include instructions on how to participate electronically. Further, technical support will be available for members who have questions about accessing the meeting or have technical difficulties.

##### B. Election of Directors - Call for Nominations

The election of directors will take place at the Oct. 22, 2020 AGM. The next step in process is to seek nominations from CNA members for eligible and qualified candidates to stand for election. The draft call for nominations package is attached. Key highlights and questions for consideration are noted below:

- **Nominations deadline:** The deadline for all nominations is Sept. 11, 2020. The draft package states that nominations will not be accepted from the floor at the virtual meeting and/or hybrid meeting. Does the committee support this approach?
- **Diversity:** The draft call for nominations includes language on diversity. This is consistent with CNA commitments in the context of the "Equal by 30" campaign (i.e., the CNA has undertaken to encourage CNA members to identify qualified women candidates for election to the board).



- **Board continuity:** The draft package includes language to promote board and leadership continuity. Does the committee support encouraging directors whose terms are expiring to stand for re-election by submitting a nomination?
- **Nomination secondment:** The draft package does not incorporate the past practice of asking for a nomination secondment (i.e., person from class to second the nomination)? Does the committee support this change?

## **NEXT STEPS**

- The call for nominations package will be revised to incorporate committee feedback and sent to CNA members on August 24, 2020.
- The GHRC committee will receive all nominations from prospective candidates for election and review the slate of proposed directors at its Sept. 16, 2020 meeting.

## **APPENDICES**

- Appendix 1 - Draft Call for Nominations Package:
  - 2020 Call for Nominations for the Canadian Nuclear Association Board of Directors e-mail template message
  - Statement of Qualifications
  - CNA Board of Directors — Terms Expiring in 2020
  - 2020-2021 Nomination Form

**Subject****2020 Call for Nominations for the Canadian Nuclear Association Board of Directors**

Dear [Insert CNA Member Name],

The Canadian Nuclear Association (CNA) is seeking nominations from eligible and qualified candidates to stand for election to the CNA board at its annual general meeting (AGM) of members on Oct. 22, 2020. The board of directors is responsible for the stewardship of the CNA, including overseeing the management of its business and affairs.

The nuclear industry is a strategic asset to Canada and its international efforts to decarbonize in our fight against climate change. These efforts are needed to meet the world's growing energy demands while creating new economic and social opportunities. The CNA is undergoing a refurbishment of its own, so we are better equipped to help the nuclear industry take advantage of these new opportunities. Member engagement is critical!

**Qualifications and Terms**

CNA members are entitled to nominate a qualified individual from their member organization, including themselves. The nominee must be from a voting or honorary member.

For a full list of qualifications, please read the attached CNA Board of Directors — Statement of Qualifications.

Up to 21 director positions are available by class for election to the 34-person board for a term ending at the close of the CNA's next annual meeting. This term of office is for eight months instead of one year because of the COVID-19-related decision to delay the CNA's annual meeting. The delay was authorized by Innovation, Science and Economic Development Canada.

**Submit your nominations**

The CNA encourages the submission of diverse and well-credentialed candidates for this exciting opportunity to serve. To promote board and leadership continuity, directors whose terms are expiring are encouraged to stand for re-election by submitting a nomination. **To submit a nomination, please email the following to [nominations@cna.ca](mailto:nominations@cna.ca):**

1. Completed and signed nomination form for your membership class (attached).
2. Picture of the nominee (head shot) and
3. Nominee biography (250 words maximum).

**The **deadline** for all nominations is Sept. 11, 2020.**

**Nominations **will not** be accepted from the floor at the virtual meeting.**

The slate of nominated directors seeking election will be included in the notice of the AGM sent to members in late September. If there are more nominations than there are seats available for each respective class on the board, voting members will elect the directors from their respective classes at the Oct. 22, 2020, annual meeting.

[August 24, 2020]



For further information, please contact Alice Wong (Alice\_Wong@cameco.com), Chair of the CNA Governance, Human Resources and Compensation Committee, or me (asdrubolinit@cna.ca).

Kind regards,

Tina Asdrubolini  
CNA Corporate Secretary

**Attachments:**

1. Statement of Qualifications
2. CNA Board of Directors — Terms Expiring in 2020
3. 2020-2021 Nomination Form

## List of CNA Board of Directors — Terms Expiring in 2020<sup>1</sup>

Class	Total # Seats	2020 # Seats	Director	CNA Member	Term
<b>Class 1 Member</b>	<b>8</b>	<b>3</b>	B. Plummer	NB Power	2019-2020
			M. Marsh	SaskPower	2019-2020
			E. Saab	Westinghouse	2019-2020
			A. Wong	Cameco	2018-2021
			W. Fox	Candu Energy Inc,	2018-2021
			Vacant <sup>2</sup>	Bruce Power	2019-2022
			J. MacQuarrie	BWXT	2019-2022
			H. Ferguson	Ontario Power Generation	2019-2022
<b>Class 2 Member</b>	<b>7</b>	<b>5</b>	S. Bambino	Aecon Industrial	2017-2020
			P. Tremblay	AECOM	2017-2020
			S. Fox	E.S. Fox	2017-2020
			S. Krishnan	Tetra Tech	2017-2020
			M. Knaszak	Sargent & Lundy Canada Company	2019-2020
			J. Sarvinis	Hatch Ltd.	2019-2022
			D. Campbell	Veolia Nuclear Solutions	2019-2022
<b>Class 3 Member</b>	<b>4</b>	<b>1</b>	R. Sexton	Atomic Energy of Canada Ltd.	2019-2020
			J. West	Kinectrics Inc.	2018-2021
			J. McBrearty	Canadian Nuclear Laboratories	2019-2022
			V. Tathe	Energy Solutions	2019-2022
<b>Class 4 Member</b>	<b>5</b>	<b>4</b>	H. Shearer	Hitachi Canada Limited	2019-2020
			B. Michell	IMI Critical Engineering	2019-2020
			M. Chatlani	L3 MAPPS Inc.	2019-2020
			J. Jermark	Siemens Wind Power Limited	2019-2020
			D. Cates	Denison Mines	2019-2022
<b>Class 5 Member</b>	<b>5</b>	<b>3</b>	J. Chou	Canadian Power Utility Services Ltd.	2019-2020
			M. Caplan	MZ Consulting Inc.	2019-2020
			N. Fonseca	Alithya	2019-2022
			J. Rasmussen	PTAG	2019-2022
<b>Class 6 Member</b>	<b>2</b>	<b>1</b>	B. Walker	Power Workers' Union	2019-2020
			S. Travers	The Society of United Professionals	2019-2022
<b>Honorary Members</b>	<b>Up to 4</b>		K. Stratton	Canadian Nuclear Society	2019-2020
			M. Mairinger	North American Young Generation Nuclear	2019-2020
			L. McBride	Women in Nuclear	2019-2020

<sup>1</sup> Terms that are expiring in 2020 are highlighted in blue for ease of reference.

<sup>2</sup> Vacancy to be filled by quorum of directors in October, 2020.

## CNA Board of Directors – Statement of Qualifications

The needs of the Canadian Nuclear Association (CNA) drive the qualifications and attributes expected of each director, and the skills needed to be represented by the collective of directors.

### Qualifications

CNA directors must:

- have nuclear industry-specific knowledge, sufficient to bring a perspective of business, legislative, regulatory and social issues impacting nuclear to board discussions;
- be a representative of a full member, in line with Article IV, S.2 of CNA by-laws;
- have a broad understanding of national and global issues and their impact on nuclear;
- have an understanding of the regulatory environment and requirements of the nuclear industry;
- be comfortable operating at a direction and strategic level, and not become involved in determining how directions will be actioned;
- have executive level experience;
- have the capacity to contribute to establishing policy, implementing strategy and achieving goals;
- have financial literacy, sufficient to read financial statements, grasp financial issues and offer suggestions on financial statements;
- have the ability to read and understand budgets and financial forecasts and to appreciate their underlying assumptions;
- have an understanding of sound business practice;
- have an understanding of governance structures and practices;
- have respect for the fiduciary duties, roles and responsibilities of the board as a whole;
- have the ability to ask probing questions and to respectfully challenge the executive, in order to provide due oversight of the executive and thereby ensure the health of the association; and
- have experience at a governance or senior management level in an organization, with complexity at least comparable to that of the association.



## Attributes

CNA directors must:

- possess sound business acumen;
- be able to identify vulnerabilities before they become critical issues;
- be keenly aware of both tangible and intangible benefits and costs;
- demonstrate appropriate risk taking, cost sensitivity and good business judgement;
- demonstrate an understanding of governance roles and responsibilities, as distinct from those of staff;
- be able to effectively and respectfully communicate with peers and staff;
- be able to deal diplomatically with the media and public;
- be able to listen and analyze; to think creatively and be decisive;
- be able to arrive at decisions that strike a balance between desirable objectives and sound risk management;
- understand and appreciate the association’s vision, mission and values and its accountability to its stakeholders;
- demonstrate an understanding of teamwork and the ability to operate as a “team member” at the board level;
- demonstrate personal integrity and ethical standards of conduct;
- be free of undue influence and be able to operate with an independent mind in the best interests of the association;
- have the capacity to serve effectively, including committing time to prepare for, and attend, board and potentially board committee meetings; and
- be able to commit time for board activities, which arise from time to time.

## Skills and Knowledge

The CNA would like to have a set of skills and knowledge domains on its board, drawing from the combined experience of its individual members. This includes:



- regulated environment expertise;
- human resources expertise;
- public policy issue expertise;
- health and safety expertise (nuclear and conventional);
- government (federal/provincial/municipal) relations experience;
- environmental expertise;
- financial expertise; and
- legal expertise.



## 2020-2021 Nomination Form — CNA Board of Directors

<b>Date:</b>	
<b>Nominee Name:</b>	
<b>Nominee Title:</b>	
<b>Member Class:</b>	
<b>Member Organization:</b>	
<b>Contact Information:</b> (Residential address, email, telephone)	

**A. Nominator** (To be completed by the person nominating a qualified individual from their organization or nominating him/herself):

I, \_\_\_\_\_, a current member of the Canadian Nuclear Association (CNA), nominate \_\_\_\_\_ for election to the CNA board.

**B. Nominee Consent** (To be completed by the qualified person being nominated):

I, \_\_\_\_\_, agree to let my name stand for election to the CNA board.

**Signature of Nominee:** \_\_\_\_\_

Please email the completed and signed nomination form for your membership class, a nominee head shot and biography to [nominations@cna.ca](mailto:nominations@cna.ca) by end of day Sept. 11, 2020.

Nominations will not be accepted from the floor of the virtual annual meeting.



## Chair Succession

### Corporate Secretary Report

August 17, 2020

#### PURPOSE

To support committee discussion of the process to fill the vacancy in the office of board chair.

To avoid conflicts of interest, only directors who do not wish to become the next board chair should participate in committee discussions on filling the vacancy.

#### BACKGROUND

The office of chair of the board became vacant upon the death of F. Saunders on July 4, 2020. To support GHRC committee deliberations on the process to fill the vacancy, applicable provisions of the *Canada Not-for-profit Corporations Act (CNCA)* and CNA governing documents, as well as common practices in officer succession are set out below.

##### A. CNCA

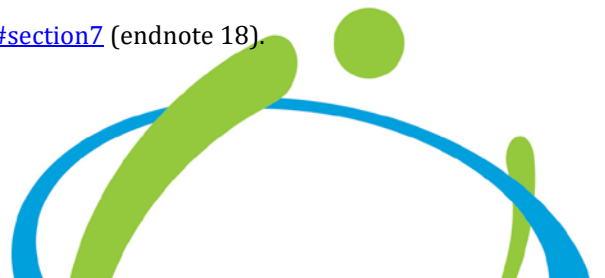
- Section 142 of the CNCA allows the board to appoint the officers of the corporation and any offices may be specified in the by-laws.
- If appointment by members or in some other manner is preferred, it must be set out in the articles, by-laws or, if applicable, unanimous member agreement.<sup>1</sup>

##### B. CNA Governance (By-law and Terms of Reference)

The CNA does not have an approved board policy on chair succession or filling a vacancy in the office of board chair. However, the by-law, board approved committee terms of reference (TOR) and AGM documents provide guidance, as follows:

- The board may appoint or elect a chair...and such other officers (by-law s. 5.1).
- Each officer appointed by the board shall hold office until the end of his or her term, a successor is appointed, the officer resigns, or the board removes the officers, whichever occurs first (by-law s. 5.8).
- The officers of the association are elected or confirmed each year by the membership at the AGM (executive committee TOR). **Note: Provision is not consistent with the CNCA or by-law both of which supersede the TOR.**
- If the chair is not otherwise able to act, then the vice-chair shall act in the place of the chair (by-law s. 5.3).

<sup>1</sup> See: <https://www.ic.gc.ca/eic/site/cd-dgc.nsf/eng/cs04999.html#section7> (endnote 18).



- The GHRC committee is responsible for officer succession planning (GHRC committee TOR), and recommends the slate of executive officers for board approval (AGM documents; governance chair memos).

Based on the foregoing, the vice-chair has the authority to act as interim chair until the board appoints and/or elects a person to fill the vacancy of board chair; and the GHRC committee has the responsibility to conduct the process and recommend the slate of executive officers for board approval. CNA past practice has been for the vice-chair to be the chair designate upon recommendations of the governance committee.<sup>2</sup>

### C. Governance Practices<sup>i</sup>

There are many resources available on leadership succession plans, including board chair succession, board chair's role and qualities required of the board chair (see "Resources" at the end of the document).

#### Board Chair Succession Options

- **Governance committee leads process and recommends candidate(s) for chair for board approval:** A typical approach is the governance committee conducts the selection process and recommends to the board a nominee or nominees for chair.
  - To identify candidates, the committee chair (or committee subset) may canvass each director, in confidence, for their views on selection criteria and nominations. They may also ask the CEO, staff and other stakeholders but their views should not unduly influence decisions.
  - The committee chair (or subset) meets with each nominated candidate to ascertain interest and qualifications against selection criteria.
  - This process may result in the governance committee identifying one prospective board chair. If it surfaces more than one candidate, the full board may discuss them *in camera* and select the new chair through an open or secret vote, without the candidates present.
- **Vice-Chair to Chair:** Many boards use the vice-chair position for chair succession (i.e., vice-chair succeeds the chair). When a new chair is chosen, another board member is appointed or elected as vice-chair. With this approach, boards are often explicit about designating the vice-chair as the incoming chair or "chair-elect". Also, board and vice-chairs are often selected from among board members who are already serving (or recently serving) as experienced committee chairs (ICD 2019, CPA 2019, Brown Governance 2010).

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<sup>2</sup>**2014:** Upon recommendation of governance committee, D. Hawthorne (vice-chair) was appointed chair upon resignation of G. Isaac; **2016:** Upon recommendation of governance committee, G. Jager (vice-chair) was appointed chair succeeding D. Hawthorne; **2018:** F. Saunders (vice-chair) succeeded G. Jager and reappointed for a three-year term in 2019 (2019-2022). Memorandum from governance chair to executive committee (April 29, 2014) refers to "current practice is for the vice-chair to be the chair designate".

- **Open Vote for Chair:** A less formal approach is that the board meeting floor is opened for board members to nominate fellow board members for the position of chair. When nominations are complete, the nomination process is closed and those individuals who have agreed to let their names stand are now candidates for chair. The vote is usually closed or by secret ballot. The candidate with the most votes becomes the chair.

### **Board Chair - Role and Selection Criteria**

In addition to the duties of every board member, the board chair is responsible for the effective functioning of the board and its role in governing the organization. This includes ensuring the integrity and effectiveness of the board's governance role and processes; presiding at meetings of the board and members; and maintaining effective relationships with board members, committee chairs, management and stakeholder groups. On a functional level, the chair contributes to and approves the agenda; ensures appropriate time is allocated to agenda items; reviews draft minutes; calls meetings; rules on procedural matters during meetings; and represents the board to internal and external shareholders.

Qualifications/selection criteria include:

- A successful leadership track record
- A visionary -- looking forward to the future, on behalf of the organization, and inspiring the board towards a vision for the organization
- A commitment to, and clear understanding of, the organization's purpose and objectives
- Political acuity
- Ability to act impartially and without bias and display tact and diplomacy
- Effective communicator and strong interpersonal skills
- Strong strategic, facilitation and consensus-building skills
- Skills in coaching and providing constructive feedback
- Knowledge of meeting procedures and organization's governance policies and by-law

### **RECOMMENDED NEXT STEPS**

- GHRC committee to confirm process to fill vacancy in the office of board chair and communicate to the board.
- GHRC committee to seek executive committee support on Oct. 1, 2020 for its recommended candidate(s).
- Board chair to be appointed or elected by the board at its organizational meeting following the termination of the AGM.

## APPENDICES

CNA Board of Directors - Role of the Director

CNA Executive-Officers Statement of Qualifications (No record of board approval)

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### <sup>i</sup> Resources

*Not-for-Profit Succession Planning: Board Leadership*, Grant MacDonald, Institute of Corporate Directors, 2019.

*20 Questions Directors of Non-For-Profit Organizations Should Ask About Recruiting, Developing, Assessing and Renewing Directors*, Richard Leblanc, Chartered Professional Accountants (CPA) of Canada, 2019).

*Guide to Good Governance: Not-for-Profit and Charitable Organizations* (Governance Centre of Excellence, 2013).

*Choosing a Chair*, (Brown Governance, 2010).

## CNA Board of Directors – Role of the Director

### Introduction

The Canadian Nuclear Association (CNA) Board of Directors will hold directors accountable for fulfilling the expectations outlined in this role description.

A director must be a person with ability, experience, judgement and integrity consistent with the needs of the CNA. It is recognized that the needs of the CNA may change over time as the strategy and operations of the CNA change.

A director must ensure he/she is in compliance with all applicable requirements set by the board.

A director's duty is to work as part of the board of directors in protecting the assets of the CNA, honour the rights of the employees, stakeholders and creditors, and provide for the financial health of the CNA.

### Standard of Care

Every director, in discharging his or her duties, must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The determination of whether a director failed to meet the minimum standard of care will depend on the facts of each individual situation.

### Duties and Expectations

In discharging their duties, directors must:

- not delegate decisions or powers to management that should remain with directors;
- attend all board meetings and applicable board committee meetings (directors who do not attend meetings are deemed to have consented to the resolutions passed at those meetings unless notices of dissent are filed appropriately);
- prepare adequately for each board and committee meeting (this includes reading the material, analyzing the information and conducting independent research if necessary to better understand the material, whether the meeting is attended or not);
- make reasonable enquiries about information provided to them by management to gain assurance that the information provided is correct;
- stay informed of the business and regulatory environment in general and in particular the sector in which the CNA operates (this includes participating in industry events);
- read critical documents issued by the CNA to its stakeholders;
- contribute views and contribute to discussions on matters before the board;



- comply with the CNA's Conflict of Interest Policy, declare potential conflicts of interest and abstain from discussions and voting on the matter;
- identify conflict of interest issues whether they are their own or they are aware of the circumstances of another director that may pose a conflict of interest;
- keep confidential all information regarding the CNA, members, employees, strategies and the business which is gained in the fulfillment of their duties (this requirement survives the termination of the person as a director);
- educate themselves on governance practices;
- coach and counsel each other in their actions to assist each other in conducting themselves in a governing matter;
- be available, within reasonable expectations, as a resource to management, the board and board chair.
- advise the board chair prior to introducing significant and/or new information or material at a board or committee meeting;
- operate at a governing level and not encroach on management's area of responsibility;
- develop and maintain sound relations and work co-operatively and respectfully with fellow directors and management;
- participate in the processes of evaluation for the board, board committees, director peer review and the CEO; and
- participate on and contribute to at least one board committee.

### **Fiduciary Responsibilities**

The director, in discharging his or her duties, must act:

- honestly and in good faith;
- with a view of the best interests of the CNA;
- with the care, diligence and skill of a reasonably prudent person; and
- on behalf of, and for, the benefit of the CNA.

The director has a fiduciary duty to the CNA. This duty recognizes that directors are in a position of trust over the actions of the CNA and can engage in activities that can harm the CNA. The director is responsible to act for the CNA's benefit, rather than for him/herself. Directors therefore must not:



- Engage in activities that put their personal interest in conflict with the best interests of the CNA;
- engage in activities that would provide the director, or others, with a direct benefit that should have been earned by the CNA;
- fail to act in a situation where action would be in the best interests of the CNA;
- take an opportunity for personal profit that the CNA either could have obtained for itself or that it was actively seeking; or
- use information gained in the performance of their duties as a director for personal use or gain.

### **Authority**

As an individual director, the individual has no specific authority, but only has authority as a part of the board of directors. A director cannot unilaterally operate, give direction to management, or authorize transactions unless specific authority has been delegated by the board and is properly transacted. If a director has a request of management, these must be addressed to the CEO.

When a motion has been decided by the proper decision-making protocol of the board, every director is expected to support the decision. If the director is strongly opposed to the decision of the board and cannot agree to support the decision, the individual can pursue options through legal means or resign from the board.

### **Ongoing Learning**

Every director is required to invest time to pursue ongoing learning to better equip themselves in conducting their duties and making effective decisions for the CNA.



## **CNA EXECUTIVE - OFFICERS**

### **STATEMENT OF QUALIFICATIONS**

#### **QUALIFICATIONS:**

- Nuclear- industry specific knowledge, sufficient to bring a perspective of business, legislative, regulatory and social issues impacting nuclear to Board discussions;
- Be a Representative of a Full Member, in line with Section V, 5.1 of the CNA By-Laws;
- A broad understanding of national and global issues and their impact on nuclear;
- Executive level experience ;
- Capacity to contribute to establishing policy, implementing strategy and achieving goals;
- Financial literacy, sufficient to read financial statements, grasp financial issues and offer suggestions on financial statements;
- Ability to read and understand budgets and financial forecasts and to appreciate their underlying assumptions;
- Understanding of sound business practice;
- Understanding of governance structures and practices;
- Respect for the fiduciary duties, roles and responsibilities of the Board as a whole;
- Ability to ask probing questions and to respectfully challenge the executive , in order to provide due oversight of the executive and thereby ensure the health of the Association;
- Experience at a governance or senior management level in an organization, with complexity at least comparable to that of the Association.

#### **GENERAL ATTRIBUTES (MEMBER AT LARGE):**

- Possess sound business acumen;
- Is able to anticipate vulnerabilities before they become critical;
- Is keenly aware of both tangible and intangible benefits and costs;
- Demonstrates appropriate risk taking, cost sensitivity and good business judgment

#### **FINANCE COMMITTEE CHAIR:**

- Has an ability to establish financial policy and investment strategy, pertaining to fees or any other financial matter.
- Has the ability to read and understand financial statements, a balance sheet and an income statement and a cash flow statement.
- Has the ability to analyse and interpret a full set of financial statements including the notes attached thereto, in accordance with Canadian generally accepted accounting principles.



- Has the ability to review auditor's examinations, monitor internal accounting controls and practices, oversee the property and investment management of the CNA.

#### **GOVERNANCE COMMITTEE CHAIR:**

- Has the ability to encourage open questions and discussion and promote a spirit of collegiality at Board meetings, fostering ethical and responsible decision making and a healthy governance culture.
- Has the ability to actively participate in and oversee the administration of the annual evaluation of performance and effectiveness of the Board, Board Committees, Committee Chairs and the President and CEO.
- Has the ability to provide advice, counsel and mentorship to individual Directors, to assist them to improve performance.
- Has the ability to oversee that the responsibilities of the Board are effectively carried out in compliance with the Board's mandate and that the functions of the Board delegated to the committees of the Board are effectively carried out and reported to the Board.

#### **PUBLIC AFFAIRS COMMITTEE CHAIR:**

- Has the ability to identify public and political issues that are of importance to the industry and advise on the creation of strategies and programs to address those issues.
- Has the ability to identify industry needs for non-regulatory advocacy, to ensure that CNA programs meet those needs.
- Has the ability to assure a systematic and coordinated flow of information and approach to advocacy.
- Has the ability to facilitate the dissemination of information to governmental policymakers on public policy issues of importance to the nuclear industry.

#### **REGULATORY COMMITTEE CHAIR:**

- Has a good understanding of domestic and international regulatory regimes within the nuclear industry.
- Has knowledge of the priorities and policies of the Government of Canada as they relate to federal and provincial regulatory frameworks.
- Has the ability to develop policy and advise on strategies for responding to regulatory affairs issues of importance to the nuclear industry.
- Has the ability to ensure continuity of regulatory policy, and strategy across the member organizations.