

WORK SAFE. FOR LIFE.
WORKERS' COMPENSATION BOARD OF NOVA SCOTIA

CORPORATE GOVERNANCE

MANUAL

1	Introduction	3
1.1	Background	3
1.2	Corporate Governance Manual	3
1.3	Approval of the Corporate Governance Manual	4
2	System Definition, Vision, Mission, Strategic Goals and Objectives for Governance and Accountability	5
2.1	System Definition	5
2.2	Vision	5
2.3	Mission	5
2.4	Strategic Goals	5
2.5	Objectives for Governance and Accountability	5
2.6	WCB Vision, Mission and Goals	6
3	Roles and Responsibilities	7
3.1	Legislative Authority to Administer the <i>Act</i>	7
3.2	Appointment and Membership of the Board of Directors	7
3.3	Governance Charter	8
3.3.1	Mission, Vision and Values	8
3.3.2	Legislation Stewardship and Policy Development	8
3.3.3	Strategic Plans & Corporate Performance	8
3.3.4	Relationship with Chief Executive Officer	9
3.3.5	Financial Oversight	9
3.3.6	Risk Management Oversight	9
3.3.7	Human Resources Oversight	10
3.3.8	Communications, Stakeholder Relations, Advocacy and Accountability	10
3.3.9	Board Governance	10
3.4	Role and Responsibilities of the Chair	11
3.4.1	Board of Directors' Operations - Chair	11
3.4.2	Appeal Responsibilities - Chair	12
3.4.3	Corporate Communications - Chair	12
3.4.4	Human Resources Management and Performance- Chair	12
3.4.5	Expectations of the Chair	12
3.5	Role and Responsibilities of the Deputy Chair	14
3.5.1	Expectations of the Deputy Chair	14
3.6	Role and Responsibilities of Committee Chairs	15
3.6.1	Expectations of Committee Chairs	15
3.7	Role, Responsibilities and Expectations of Directors	16
3.8	Role and Responsibilities of the CEO	18
3.9	Delegation of Authority to the CEO	18
3.10	CEO Limitations	19
3.11	CEO Succession Planning	19
3.12	CEO Terms of Employment	20
3.13	Role and Responsibilities of the Director, Governance and Legal Services	20
3.13.1	Responsibilities to the Board of Directors	20
3.13.2	Responsibilities to the CEO	21
3.14	Guidelines and Terms of Reference of Board Committees:	21
3.14.1	Finance, Audit & Risk Committee - Terms of Reference	23
3.14.2	Investment Committee - Terms of Reference	34

3.14.3 Governance & Policy Committee - Terms of Reference	39
3.14.4 Development and Succession Committee - Terms of Reference	43
3.14.5 Key Performance Indicators - Terms of Reference	47
4 Governance Responsibilities.....	52
4.1 Governance Principles.....	52
4.2 Board Culture	53
4.3 Accountability	54
4.4 Confidentiality of Information	55
4.5 Conflict of Interest Guidelines.....	56
4.6 Board of Directors Agenda	55
4.7 Communications and Stakeholder Relations	56
4.8 Policy Development Process	56
5 Governance Operations	56
5.1 Board Meetings	60
5.2 Authority to Preside	61
5.3 Quorum.....	61
5.4 Attendance	61
5.5 Meeting Conduct	61
5.6 Motions and Voting.....	61
5.7 Meeting Material	62
5.8 Presentations.....	62
5.9 Meeting Frequency and Location	63
5.10 Meeting Notification	63
5.11 Minutes of Meetings	63
5.12 Board Directors Orientation	64
5.13 Ongoing Board of Directors Education	65
5.14 Remuneration and Expenses	66
5.15 Board Evaluation	62
5.16 Competency Assessment	62
Appendix A - Roles Analysis- Board of Directors and CEO	70
Appendix B – Glossary of Terms.....	80
Appendix C – Selection Process for Chair & Deputy Chair of the WCB	82
1. Appointment of the Selection Committee	82
2. Advertising and Screening.....	82
3. Interviewing and Scoring	82
4. Criteria to be applied by the Committee	83
5. Selection Process.....	84
Appendix D – WCB Communications and Stakeholder Relations Policy	85
Appendix E - Workers' Compensation Board of Nova Scotia – Committee Evaluation.....	91
Appendix F - Workers' Compensation Board of Nova Scotia - Board Evaluation.....	93
Appendix G – Director Competency Assessment Tool	98

Introduction

1.1 Background

The Workers' Compensation Board (WCB) of Nova Scotia is incorporated under the *Workers' Compensation Act* (the *Act*). The WCB is an independent agency operating at arm's length from Government as well as a member agency of the Workplace Safety and Insurance System. From 1992 to 2005 the WCB was governed by a stakeholder representative Board of Directors comprised of employer, worker, and public at large Directors and a Chair and Deputy Chair. Effective July 13, 2005, the *Act* was amended to provide only for the appointment of Directors representing employers and workers.

The *Act* defines employers and eligible workers covered by the system and their duties and obligations. It designates authority to the WCB to collect assessment premiums, perform inquiries and make decisions concerning assessment and claim matters and adjudicate the distribution of defined benefits.

The *Act* defines the appeal system and establishes the structure and authority of the Workers' Compensation Appeals Tribunal and the Workers' Advisers Program.

The *Act* delineates the appointment and terms of the Board of Directors and grants the Board of Directors governance authority to:

- define the manner in which it conducts its proceedings,
- appoint a CEO,
- delegate its authority,
- enter into jurisdictional agreements,
- appoint an external auditor,
- adopt policies consistent with the *Act*,
- make regulations with the approval of the Governor in Council.

The *Act* provides specific authority to the Chair of the Board of Directors to establish committees of the Board and to review appeals referred by the appeal system concerning an issue of law or policy.

1.2 Corporate Governance Manual

The roles and responsibilities of the Board of Directors of the Workers' Compensation Board of Nova Scotia derive from the *Workers' Compensation Act*, common law standards of fiduciary responsibility, and the Board's own decisions related to the manner in which it chooses to meet those responsibilities.

This document describes those responsibilities and identifies the governance principles the Board of Directors has chosen to administer the Workers' Compensation Board.

The purpose of the Corporate Governance Manual is to ensure the WCB has an effective corporate governance system to guide the organization in achieving its corporate objectives. It delineates and describes the roles and responsibilities within this governance system. The Corporate Governance Manual is an addition to, and not a substitution for, the *Act* or any common law principles of directorial duties, responsibilities and standards of care.


1.3 Approval of the Corporate Governance Manual

The Board of Directors approves the Corporate Governance Manual. Annually or from time to time, as determined by the Board of Directors, the Governance Manual will be reviewed.

Approved by the Board of Directors:



Saeed El-Darahali
Chair



Brad Fraser
VP, Governance and Legal Services

Last revision approved: December 19th, 2024

2 System Definition, Vision, Mission, Strategic Goals and Objectives for Governance and Accountability

2.1 System Definition

The Workplace Safety and Insurance System (WSIS) includes workers, employers, the agencies – Workers' Compensation Board (WCB), Workers' Compensation Appeals Tribunal (WCAT), Workers' Advisers Program (WAP), the Occupational Health & Safety (OH&S) Division of the Department of Labour, Skills and Immigration and others who provide services in the System.

Other key components of the Workplace Safety and Insurance System include the System Coordinating Committee, the Heads of Agencies Committee, Aligned and Third Party Organizations, the Occupational Health and Safety Advisory Council and the Minister of Labour, Skills and Immigration.

The WCB supports the vision, mission, goals and objectives of the WSIS as follows:

2.2 Vision

Our vision is safe, healthy workplaces for Nova Scotians and sustainable safety and insurance services.

2.3 Mission

Our mission is to work together to help keep people healthy and safe at work, to insure against loss and to support workers' rehabilitation. We strive to be fair, open and responsible in everything we do.

2.4 Strategic Goals

- To improve outcomes for workers and employers.
- To improve service delivery.
- To ensure effective governance of the System.
- To ensure financial sustainability of the System.

2.5 Objectives for Governance and Accountability

- To ensure that the Board of Directors of the WCB is truly representative of the stakeholders of the WSIS.
- To ensure that all the agencies that make up the WSIS work collaboratively to improve the WSIS by demonstrating the values of fairness and accountability in their decision-making processes, recognizing that each agency has its own independent mandate.

- To ensure that the values of consultation, openness and transparency are reflected in the governance and accountability of the WSIS.
- To ensure that the agencies which make up the WSIS work effectively to maximize coordination of services
- To ensure the WSIS becomes less legalistic

2.6 WCB Vision, Mission and Goals

As part of fulfilling its mandate as a member agency of the Workplace Safety and Insurance System, the WCB has established its own vision, mission and goals:

Vision

Nova Scotians- safe and secure from workplace injury.

Mission

We set the standard for workplace injury insurance.

We inform and inspire Nova Scotians in the prevention of workplace injury, but if it occurs we support those lives it touches by championing a timely return to safe and healthy work.

Goals

- We will continue to reduce the provincial workplace injury rate and work toward the elimination of workplace fatalities.
- We will support people injured on the job and their employers by working to improve our support for safe and timely return to work.
- We will support an engaged, motivated, diverse and inclusive workforce, leveraging new tools and resources to improve service to Nova Scotian workers and employers.
- We will continue to lead the ongoing, important conversations with our system partners and stakeholders toward improving the workers' compensation system for all Nova Scotians, now and generations into the future. This includes a balanced approach of creating a more inclusive workers' compensation system. The journey could include providing greater protections for Nova Scotia's most vulnerable workers, improved benefits for Nova Scotians who are injured at work, and lower assessment rates for employers.
- Ensure the system and the ability to pay the present and future obligations (benefits/administration costs) is managed on a sustainable basis while balancing the needs of workers and employers.

3 Roles and Responsibilities

3.1 Legislative Authority to Administer the Act

The Workers' Compensation Board of Nova Scotia is a body corporate created under section 151(1) for the purpose of administering Part I of the *Workers' Compensation Act*. The Board of Directors of the Board is established under section 151 (2). The Workers' Compensation Board reports to the Minister (defined as the Minister of Labour in the *Act*) on an annual and quarterly basis respecting its operations and transactions, in accordance with sections 160 and 160A.

3.2 Appointment and Membership of the Board of Directors

Section 151(3) of the *Act* directs the Governor in Council to appoint a Chair, a Deputy Chair and endeavor to appoint equal number of members representing employers and workers. Members may be appointed for a term up to four years and may be re-appointed, providing that no member can serve more than two terms to ensure appropriate renewal and revitalization of the Board of Directors. However, the Minister of Labour, Skills and Immigration has discretion to reappoint members beyond the two-term limit, for up to a full third term. The Minister may obtain the input of the Chair regarding potential reappointments of board members beyond the two-term limit. The terms of Board members should be staggered so that there is an opportunity for learning and transition for new members and continuity of direction.

Representative employer and employee organizations will have a role in the selection and appointment of members of the Board of Directors. The Nova Scotia Federation of Labour and designated injured workers associations will have a role in nominating employee representatives. Employer associations representing employers who are assessed under the *Act* will have a role in nominating employer representatives. Only nominees supported by representative associations or organizations will be eligible to be appointed as members of the Board of Directors. Before reappointing a member, the Minister must receive a letter of re-nomination from an employee or employer association supporting the re-nomination.

Section 151(8) of the *Act* confirms that at the discretion of the Chair, where the term of office of a member of the Board of Directors expires, that member may act as a non-voting member of the Board of Directors in order to complete any duty or matter that arose before the effective date of the expiry of the term of office, until such time as a decision is made on WCB Board member appointments.

Section 151(9) of the *Act* confirms that a vacancy of the Board of Directors does not impair the ability of the Board of Directors to act. In consideration of this and the small membership of the Board of Directors Standing

Committees, if a Board member's term expires and there is business of a Standing Committee that requires their continued attendance, the Chair may formally request the member continue attending Committee meetings as a voting member until such time as a decision is made finalizing WCB Board member appointments.

3.3 Governance Charter

In addition to meeting the requirements established by law, the Board of Directors of the WCB will be accountable to provide effective stewardship and strategic leadership for the organization by fulfilling the following key governance responsibilities:

3.3.1 Mission, Vision and Values

- Approve, affirm (as part of the regular business planning process) and continually support the Mission, Vision and Values of the WCB
- Ensure that the organization's values are clearly stated, widely shared and provide a framework for decision-making throughout the WCB
 - E.g. code of conduct and conflict of interest policies in place to support the values

3.3.2 Legislation Stewardship and Policy Development

- Approve a process for the development and periodic review of program policies* for the WCB
- Determine and approve program policies* of the organization
- Make recommendations to the Governor in Council for legislative changes and creation of regulations under s. 184 of the *Act*
- Contribute to other pieces of legislation as appropriate
- Approve governance policies in areas relating to the Board's stewardship responsibilities (see Section on Board Governance later herein)
- Delegate operational policy development and approval to the CEO
- Ensure that systems are in place to (a) identify the need for policies, (b) review and monitor the effectiveness of WCB policies and (c) report on compliance with WCB policies
- Approve entering into agreements with the Government of Canada or workers' compensation boards in other jurisdictions

* A "program policy" is a policy made by the Board of Directors pursuant to s. 183 of the *Act*.

3.3.3 Strategic Plans & Corporate Performance

- Provide strategic direction in the development, and final approval of the strategic plan for the WCB
- Contribute to and support the WCB strategic plan
- Approve the Annual Business Plan, ensuring alignment between the WCB Strategic Plan and the Annual Business Plan.

- Approve the process for strategic planning and annual business planning (e.g. including touch points with Board, how consultative process will be, etc.)
- Monitor the performance of the WCB against its plan(s) through a performance measurement system that is linked to the organization's strategic plan
- Review results of external reviews of the organization and monitor appropriate follow-up plans
- Contribute to the development of goals for the WSIS Strategic Plan

3.3.4 Relationship with Chief Executive Officer

- Appoint and fix duties and remuneration of a Chief Executive Officer in accordance with section 158 of the Act
- Respect and ensure good clarity in the distinct roles of the Board and the CEO
- Monitor and annually evaluate the CEO performance in relation to performance expectations agreed upon by the Board of Directors and CEO
- Support and encourage the CEO's participation in professional development opportunities on an ongoing basis

3.3.5 Financial Oversight

- Consider and approve the annual business plan and comprehensive budget for the WCB; ensure that these are aligned with the organization's strategic plan
- Review and approve financial statements on a quarterly basis
- Appoint an external auditor
- Approve annual audited financial statements
- Review and approve material transactions as required in policies such as investment, procurement, etc.
- Appoint an internal auditor and approve the internal audit plan
- Approve the WCB funding strategy and target average assessment rate
- Approve the organization's:
 - investment policy, principles and objectives,
 - financial policies and
 - procurement policies
- Provide high level stewardship over the resources of the WCB in order to ensure the long-term sustainability of the workers' compensation system

3.3.6 Risk Management Oversight

- Understand the principal risks facing the organization and receive and consider an annual review of enterprise risk assessment
- Ensure, through the CEO, that there are systems in place to mitigate/manage those risks and monitor the effectiveness of those systems

3.3.7 Human Resources Oversight

- Ensure, through the CEO, that the WCB develops and maintains a long-term, comprehensive, human resource plan
- Ensure that policies and systems are in place to foster a work environment that (a) attracts, develops and retains talented people and (b) demonstrates leadership in wellness and safety
- Ensure that a succession plan is in place for the CEO's position and that the CEO, in turn, has a succession plan in place for senior leadership and other key positions within the WCB
- Provide input to the CEO on the preferred attributes of executive management candidates during the recruitment of these positions

3.3.8 Communications, Stakeholder Relations, Advocacy and Accountability

- Ensure that the WCB has policies and systems in place to:
 - protect and continuously enhance the WCB brand and reputation
 - maintain strong and effective relations with all stakeholders, including clients, service providers, workers, employers and government
 - promote the principles of open and transparent dialogue and discussion with our stakeholders
 - advocate on behalf of the WCB and its strategic priorities
 - appropriately receive and address stakeholder concerns/complaints
 - demonstrate accountability to its stakeholders
 - monitor the effectiveness of the WCB stakeholder relations and advocacy
- At least annually, report to our stakeholders on the organization's progress towards all plans (strategic, financial, advocacy, etc.)
- Ensure that the organization has a communications plan in place that aligns with its annual business plan and that fosters open, honest and accountable communications with stakeholders

3.3.9 Board Governance

- Contribute to the appointment process for new directors, the Board Chair and Deputy-Chair (e.g. responsibilities of the Board, skills required, diversity, etc).
- Ensure that directors have a thorough initial orientation followed by ongoing opportunities to increase their capabilities as directors of the WCB
- Annually establish goals for the work of the Board and organize/adapt the Board committees and meeting agendas to accomplish these goals
- Approve the structure and terms of reference of Board of Directors' committees
- Annually evaluate the performance of the Board, its Chair and its Committees
- Foster an effective relationship with the CEO and recognize the distinct roles

- Review Governance Policies and Board practices in the context of evolving standards of governance in the public sector
- Ensure that a process is in place to identify and resolve conflicts of interests on the part of board members

3.4 Role and Responsibilities of the Chair

The Chair is appointed by the Governor in Council in accordance with section 151(3) of the *Act* from a short list of recommended candidates submitted by the Selection Committee following the Selection Process outlined in Appendix C attached. The Chair may be appointed for a term of not more than five years and may be re-appointed.

Where the Chair is absent from the Province, or is unable to act as Chair, or there is a vacancy in the office of the Chair, the Deputy Chair exercises the powers and discharges the duties of the Chair pursuant to section 155(3) of the *Act*. If both the Chair and the Deputy Chair are absent from the Province or are unable to act as Chair, or there is a vacancy in the office of the Deputy Chair, the Chair may designate a Director to serve as Acting Chair or, if the Chair is unable to make that designation, the Minister may designate a member of the Board of Directors to serve as Acting Chair (section 155 (4) of the *Act*).

In accordance with the *Act* and regulations, and in accordance with governance principles of leadership and stewardship, the Chair of the Board of Directors:

3.4.1 Board of Directors' Operations - Chair

- will call and preside over Board of Directors' meetings and shall exercise all powers associated with that position;
- will exercise a vote in the instance of a tie between voting members (sec. 151(6) of the *Act*);
- may request a member of the Board of Directors whose term has expired or has resigned to act as a non-voting member in order to complete any unfinished duty or matter (sec. 151(8) of the *Act*);
- may designate a Director to serve as Acting Chair in the absence of the Deputy Chair (sec. 155(4) of the *Act*);
- may delegate any power or duty conferred on the Chair by the *Act* or the regulations to the Deputy Chair (sec. 156(1) of the *Act*);
- may establish committees of the Board of Directors and designate members to serve (sec. 157(5) of the *Act*);
- will determine appropriate action to resolve a conflict of interest identified by a Board member or the Chair in accordance with the conflict of interest guidelines (outlined in Section 4.5 of this document);
- shall strive to maintain communications with Board members outside of formal Board or committee meetings.

3.4.2 Appeal Responsibilities - Chair

- may direct that any appeal referred to the Chair by a Hearing Officer be reviewed by the Board of Directors, heard and decided by the
- Appeals Tribunal, or returned to the Hearing Officer and postpone or adjourn similar appeals (sec. 199 and 200 of the *Act*);
- may direct that any appeal referred to the Chair by the Chief Appeal Commissioner or presiding WCAT Appeal Commissioner be reviewed by the Board of Directors or returned to the Appeals Tribunal and postpone or adjourn similar appeals (sec. 247 and 248 of the *Act*).

3.4.3 Corporate Communications - Chair

- represents the Board of Directors in communicating Board of Director decisions to the Minister responsible for the *Act*;
- shall sign all regulations, order and other documents pertaining to the decisions of the Board of Directors;
- along with the CEO, the Chair may act as the spokesperson for the WCB (see 3.8.4)

3.4.4 Human Resources Management and Performance- Chair

- provides guidance and direction to the CEO on behalf of the Board of Directors;
- presents the Board of Directors' CEO evaluation to the CEO;
- approves CEO expenses;
- In conjunction with the CEO, recommends the appointment of the Director, Governance and Legal Services to the Board of Directors.

3.4.5 Expectations of the Chair

During board meetings

- ▶ Know the Board of Directors
- ▶ Remain objective when framing issues
- ▶ Keep the meeting focused; keep us on track and on time
- ▶ Maintain effective meeting discipline
- ▶ Demonstrate leadership
- ▶ Offer his/her own perspective when appropriate
- ▶ Know when to “call it” – determine when the Board is in “diminishing returns” territory
- ▶ Use judgment when potentially contentious issues are on the table
- ▶ Value the importance of consensus decision-making
- ▶ Be prepared – the Chair should be the most informed board member on most matters
- ▶ Be courageous
- ▶ Provide feedback on any meetings with senior government representatives

***Between
board
meetings***

- ▶ Be a filter regarding the adequacy and quality of staff materials/presentations en route to the Board
- ▶ Provide feedback to Management on their participation in the meetings
- ▶ Have ongoing interactions with the CEO, Director, Governance and Legal Services and Committee Chairs (as required) re agenda planning and advancement of committee work
- ▶ Represent the Board of Directors at meetings and other functions
- ▶ Act as the chief spokesperson for the Board of Directors
- ▶ Attend meetings with elected representatives and government officials (along with the CEO)
- ▶ Keep the board informed of significant/sensitive issues
- ▶ Be an effective relationship builder – with board members, stakeholders, etc.
- ▶ Represent the WCB within WSIS and nationally with the AWCBC
- ▶ Advance board business between meetings
- ▶ Play a mediation role with board members between meetings in order to facilitate consensus
- ▶ Be a sounding board for other directors and provide feedback to directors as appropriate

***Interactions
with
Management***

- ▶ Develop a strong working relationship with the CEO (and the Senior Management team as appropriate)
- ▶ Foster a relationship with the CEO that is mutually supportive, loyal, honest and objective
- ▶ Act as a sounding board for the CEO and vice versa
- ▶ Be ever-conscious that the Chair represents the Board of Directors in his/her relationship with the CEO
- ▶ Provide coaching, mentoring and leadership to the CEO (and the Senior Management team as appropriate)
- ▶ Have regular contact with the CEO (and the Director, Governance and Legal Services)

***Ongoing
learning and
development***

- ▶ Remain abreast of best practices and developments relating to your work as a board/director, through interactions with other WCBs and the national organization AWCBC
- ▶ Participate in professional development according to standards set by the Board
- ▶ Encourage growth and development of leadership among board members

3.5 Role and Responsibilities of the Deputy Chair

The Governor in Council appoints the Deputy Chair in accordance with section 151(3) of the *Act* from a short list of recommended candidates submitted by the Selection Committee following the Selection Process outlined in Appendix C attached. One of the criteria that the Selection Committee may take into account is that the person who is nominated as Deputy Chair may become Chair and should have the capacity to act in the stead of the Chair. The Deputy Chair may be appointed for a term of not more than five years and may be re-appointed.

In accordance with the *Workers Compensation Act* and regulations, and in accordance with governance principles of leadership and stewardship, the Deputy Chair of the Board of Directors:

- shall exercise the powers and the duties of the Chair during an absence or vacancy in the office of Chair (sec. 155(3) of the *Act*);
- shall be familiar with the ongoing work of the Board of Directors and the WCB to assume the duties of the Chair if the need arises.
- In accordance with section 151 (4) of the *Act*, shall sit as non-voting member of the Board unless required to act for the Chair pursuant to section 155.

3.5.1 Expectations of the Deputy Chair

- | | |
|--|--|
| <i>During board meetings</i> | <ul style="list-style-type: none">▶ Fulfill the expectations of the Board Chair, in the absence of the Chair▶ Provide assistance to the Board Chair, when required▶ Participate actively in the discussion |
| <i>Between board meetings</i> | <ul style="list-style-type: none">▶ Fulfill the expectations of the Board Chair, in the absence of the Chair▶ Provide assistance to the Board Chair, when requested▶ Develop a close working relationship with the Chair; be available and act as a thoughtful sounding board to the Chair |
| <i>Interactions with Management</i> | <ul style="list-style-type: none">▶ Fulfill the expectations of the Board Chair, in the absence of the Chair |
| <i>Ongoing learning and development</i> | <ul style="list-style-type: none">▶ Fulfill the expectations of the Board Chair, in the absence of the Chair |

Otherwise, the expectations for individual directors apply to the Deputy Chair.

3.6 Role and Responsibilities of Committee Chairs

The Chair appoints the Committee Chairs and members in accordance with section 157 (5) of the *Act*. In accordance with the Terms of Reference for the standing committees, the Committee Chairs:

- will call and preside over Committee meetings and shall exercise all powers associated with that position;
- establish the Committee agenda in conjunction with the Chair and in consultation with the CEO;
- may request another Director to sit in for an absent member so the committee may continue its work;
- on a regular basis report on the activities, decisions and recommendations of the Committee to the Board of Directors.

3.6.1 Expectations of Committee Chairs

During committee meetings

- ▶ Know the committee members
- ▶ Remain objective in framing issues
- ▶ Keep the meeting focused; keep the Committee on track and on time
- ▶ Maintain effective meeting discipline
- ▶ Demonstrate leadership
- ▶ Offer own perspective when appropriate
- ▶ Know when to “call it” – determine when the Committee is in “diminishing returns” territory
- ▶ Use judgment when potentially contentious issues on the table
- ▶ Value the importance of consensus decision-making
- ▶ Be prepared – the Committee Chair should be the most informed committee member on most matters
- ▶ Be courageous
- ▶ Develop and demonstrate appropriate skill sets

Between committee meetings

- ▶ Provide leadership in “framing” issues and providing reports to the Board (to minimize need to rehash)
- ▶ Be a filter regarding the adequacy and quality of staff materials/presentations en route to the Board
- ▶ De-brief committee meeting with the designated staff support with a view to ongoing improvement in the functioning of the committee
- ▶ Have appropriate interactions with designated staff support for the committee re agenda planning and information requirements

- ▶ Liaise with Director, Governance and Legal Services re scheduling of advancement of committee work to the Board
- ▶ Keep the committee informed of significant/sensitive issues
- ▶ Advance committee business between meetings
- ▶ Play a mediation role with committee members between meetings in order to facilitate consensus

Interactions with Management

- ▶ Have regular interactions with the designated staff support for your committee re agenda planning and information requirements
- ▶ Develop a strong working relationship with the designated staff support
- ▶ Foster a relationship with the designated staff support that is mutually supportive, loyal, honest and objective
- ▶ Act as a sounding board for the designated staff support and vice versa
- ▶ If there are any concerns about the performance of the designated staff support, do not deal with them directly but rather refer them to the CEO

Ongoing learning and development

- ▶ Higher threshold expected of committee chairs for remaining current on best practices within the scope of their committee's mandate
- ▶ Participation in professional development activities
- ▶ Facilitate the annual evaluation of the Committee's effectiveness and efficiency

3.7 Role, Responsibilities and Expectations of Directors

In accordance with governance principles of leadership and stewardship, individual Directors shall:

General:

- act honestly and in good faith and exercise the care, diligence and skill of a reasonably prudent person
- act as an agent and trustee of the WCB in the execution of its mandate and the protection of the WCB's assets:

During board meetings

- ▶ Attend board and committee meetings in their entirety
- ▶ Be prepared
- ▶ Be respectful
- ▶ Be punctual
- ▶ Participate and offer perspectives open and honestly
- ▶ Demonstrate active listening
- ▶ Be open and receptive to the views of others
- ▶ Objectively make decisions in the best interests of the organization (see s. 4.1 Governance Principles) not individual stakeholder interests
- ▶ Bring forward stakeholders perspectives as “information in” but then let them go in order to make decisions in the best interests of the organization
- ▶ Adhere to meeting rules/norms (King and Kerr, as default reference)
- ▶ Be constructive and helpful in your question-posing; assume good intent and seek to understand
- ▶ Don’t blame or accuse – focus on the issue not the personalities
- ▶ Identify conflicts of interest (see s. 4.5 of Governance Manual)

Between board meetings

- ▶ Respect the confidentiality of board discussions (see s. 4.4 of Governance Manual)
- ▶ Listen and understand informal feedback; it is critically important not to create expectations among stakeholders
- ▶ Be informed and aware of stakeholder views/opinions on WCB issues
- ▶ Support the organization’s formal systems for proactively seeking stakeholder input
- ▶ Fulfill advocacy/stakeholder relations role agreed upon by the Board
- ▶ Understand that not every decision needs extensive consultation with stakeholders; some simply require an exercise of good judgment on the part of the board members themselves
- ▶ Support board decisions, once made
- ▶ Keep abreast of developments impacting the WCB
- ▶ Prepare for upcoming meetings
- ▶ Follow-up on any assigned tasks/commitments
- ▶ No email conversations on substantive/controversial issues – a special meeting can be called
- ▶ Live and represent the values of the organization and be an ambassador for the organization (fans/supporters of WCB, improvements to be made and always will be, ongoing improvement is our goal,

defining our scope of control and managing stakeholder expectations in this regard)

- ▶ Notify the Director, Governance and Legal Services in advance if unable to attend meetings

***Interactions
with
Management***

- ▶ Board members' primary connections to the organization are with the CEO and/or Director, Governance and Legal Services
- ▶ If you have information requests, direct them to the CEO, the appropriate Vice-President or the Director, Governance and Legal Services; do not make requests of any other staff
- ▶ Your "real hat" or "day job" may cause interactions with staff of the WCB; board members should normally avoid this contact by delegating the file to others within your organization

***Ongoing
learning and
development***

- ▶ Remain abreast of best practices and developments relating to your work as a board/director/committee chair
- ▶ Participate in professional development according to standards set by the Board

3.8 Role and Responsibilities of the CEO

Under section 158(1) of the *Act* the Board of Directors may appoint and fix the duties and remuneration of a Chief Executive Officer of the Board.

Section 158(2) stipulates that the Chief Executive Officer is responsible:

- a) to the Board of Directors through the Chair;
- b) for day to day management of the business of the Board;
- c) for advising the Board of Directors on all matters of policy;
- d) for overseeing the administration and implementation of the policies and budgets of the Workers' Compensation Board; and
- e) for carrying out any other duty or function as assigned by the Board of Directors.

The Board has the overall responsibility/authority for the control and management of the organization. In practical terms, it delegates the day-to-day management of the organization to competent professionals. The key areas of the Board's stewardship responsibilities are found in the Board's Governance Charter as set out in Section 3.3. The Roles Analysis attached as Appendix A builds upon the *Act* and Regulations and the Governance Charter by clarifying the respective roles that the Board of Directors and the CEO have in relation to the key responsibilities of the Board.

3.9 Delegation of Authority to the CEO

The CEO is conferred full authority, scope and executive powers by the Board of Directors and is responsible for the administration of the day to day operations of the WCB, in accordance with section 158 of the *Act*.

The CEO is accountable to the Board of Directors for the exercising of this authority and shall be evaluated in accordance with the CEO evaluation process approved by the Board of Directors.

The CEO is empowered to delegate authority to other members of executive management.

3.10 CEO Limitations

The CEO shall exercise his/her authority with transparency, integrity straight-forwardness and in a manner consistent with the *Workers' Compensation Act* and Regulations, and the WCB code of ethics and conduct and Board of Directors approved policies.

The CEO shall not cause or allow any practices, activity, decision or organizational circumstances which are either unlawful, imprudent or in violation of commonly acceptable business or professional ethics.

Within the global budget, the CEO has the discretion to utilize the approved budget within the categories of operations and capital, including adjusting staff positions and numbers in order to achieve corporate plan objectives. The CEO may not transfer funds between these categories without Board of Directors' approval.

3.11 CEO Succession Planning

The CEO shall present an annual succession plan to the Board of Directors through the Development and Succession Committee and provide timely updates, should the succession plan change at any time prior to the next annual report of succession.

The CEO shall annually advise the Development and Succession Committee the designated Vice President, familiar with the Board of Directors' and CEO's issues and priorities, who may act as CEO in the event of unanticipated absences of the CEO. The CEO shall ensure the Chair has access to confidential documentation of the succession designation in case of the absence of the CEO. With the approval of the Board of Directors the designate shall act in the capacity of CEO until the Board of Directors meets expeditiously to determine a process of CEO selection.

On an annual basis the CEO shall inform the Board of Directors, through a report to the Development and Succession Committee, of the development plans for executive management (Vice Presidents, Chief Financial Officer and Director, Governance and Legal Services). The

CEO shall inform the Board of Directors immediately if there is a change in executive personnel (Vice Presidents, Chief Financial Officer and Director, Governance and Legal Services).

When vacancies arise in executive management positions, the CEO will seek input from the Board of Directors in the preferred attributes of these positions.

3.12 CEO Terms of Employment

Appointment of the CEO is the responsibility of the Board of Directors.

The Chair, pursuant to instructions from the Governance and Policy Committee, negotiates the terms of employment and remuneration of the CEO for review by the Governance and Policy Committee to recommend to the Board of Directors.

The CEO appointment, compensation and benefits may only be adjusted by approval of the Board of Directors.

The Governance and Policy Committee shall review the CEO's terms of employment each year in conjunction with the CEO evaluation. All Board members shall receive a copy of the CEO's terms of employment and the annual evaluation.

3.13 Role and Responsibilities of the Director, Governance and Legal Services

The Director, Governance and Legal Services is a member of executive management, reporting to the Chair and Committee Chairs on matters relating to the Board of Directors or Committees and to the CEO for day to day operational responsibilities. Accordingly, the Director, Governance and Legal Services:

3.13.1 Responsibilities to the Board of Directors

- provides notification to all Board members of meetings and communications as directed by the Chair or the Committee Chairs;
- attends all Board of Directors' and Board Committee meetings, *ex officio*;
- provides advice on governance or other issues to the Board of Directors, Board committees, and Chair as may be requested from time to time;
- records and maintains all official results of the Board of Directors and Committees including policy decisions and minutes of all official meetings;
- distributes all agenda material and documents as directed by the Chair or the Committee Chairs;

- organizes logistical support for Board of Directors and Committee meetings, Board member travel to meetings and conference events;
- reviews and authorizes, through the authorization of the Chair, Board member expense claims for payment, except the Chair expenses which are reviewed and authorized by the Chair of the Finance, Audit & Risk Committee, or a member of that committee as designated by the Finance, Audit & Risk Committee Chair. In the absence of the Director, Governance and Legal Services, the Chief Executive Officer or the Chief Financial Officer will be the designated alternate with signing authority for Board expenses.
- acts as a point of contact for Board member inquiries;
- provides other support functions as required from time to time by the Chair and the Board of Directors;
- under the guidance of the Chair, acts as primary liaison to provide legal advice and services to the Board of Directors.

3.13.2 Responsibilities to the CEO

- is a member of all senior management committees;
- provides logistical support by maintaining agendas and records of management committees as designated by the CEO;
- provides other support functions as required from time to time by the CEO.

3. 14 Guidelines and Terms of Reference of Board Committees:

A. Committee Structure

The Board of Directors of the WCB will periodically review the structure and mandate of its Standing Committees. Generally speaking and given its relatively small size, the Board prefers to keep its committee structure “lean” with a maximum of three (3) Standing Committees.

B. Committee Work

Standing Committees are established to support the Board of Directors in its fulfillment of its key stewardship responsibilities. The priorities and work of the Standing Committees should align with governance priorities established annually by the Board of Directors. The delegated policy-making, decision-making and monitoring roles should be clearly described in the Terms of Reference for each Standing Committee.

C. Committee Membership

The Board Chair has the authority to constitute the Board's Standing Committees, by virtue of s. 157 (5) of the Act.

Ideally, each board member will be assigned to one of the three Standing Committees. The Board Chair will annually canvass board members' preferences (in rank order) for committee assignments. While these preferences may be taken into consideration, the main objectives in assigning board members to various committees will be the alignment of skills with committee mandates, ensuring a diversity of stakeholder perspectives on each committee and balancing the workload of board members.

Where appropriate, in order to facilitate the work of the Committees, the Board Chair may appoint temporary alternates to Committees where a regular member of the Committee will be absent.

The Board of Directors also endorses the principle that periodic rotation of board members through committees is desirable.

D. Committee Reports

The Board of Directors of the WCB delegates responsibilities to its three (3) Standing Committees. In most instances, these Committees are expected to give matters due consideration and discussion and to make policy and/or decision recommendations to the Board of Directors. In limited instances, the Committees have been delegated actual decision-making authority, the exercise of which should be reported to the Board of Directors. Finally, Standing Committees also fulfill a monitoring role on behalf of the Board with the expectation that the completion of such monitoring together with significant highlights will be confirmed/shared with the Board of Directors.

In order to reduce any duplication of effort and to enhance confidence in the substantive work of the Standing Committees, the following guidelines have been developed for written reports to the Board of Directors by the Standing Committees.

1. Recommendations to the Board of Directors

A Standing Committee that is bringing a recommendation forward to the Board of Directors for either a policy matter or a specific decision should include in its written report to the Board:

- The recommendation in the form of a proposed Board resolution to be advanced by the Committee Chair at the Board meeting
- Statement of the issue to be addressed by the recommendation
- Background
- Process and information sources used by the Committee to study, discuss and come up with a recommendation
- Rationale for the recommendation

- Other options discussed by the Committee
- Key issues considered by the Committee
- Potential implications (stakeholder, financial, communications, risks, other, etc.)
- Related communications issues

2. Decisions Made by the Committee

A Standing Committee that has been delegated the authority to make decisions on behalf of the Board of Directors should include in its written report to the Board a brief description of the decision made by the Committee.

3. Monitoring by the Committee

A Standing Committee that fulfills a monitoring role on behalf of the Board should include in its written report to the Board:

- The reports received and discussed by the Committee
- Significant items/developments of which the full Board should be aware

Committee reports are not intended to supersede Management reporting on the organization's performance. Where the Committee receives information/reports from Management, the Committee and the CEO or designate should clarify what, if any, reports should be brought forward to the full Board by Management and which can be dealt with in the reporting of Committee highlights to the Board.

E. Committee Evaluations

The Standing Committees of the Board of Directors shall participate in an annual evaluation process. The purpose of the annual evaluation process is to help the Committees continuously improve their effectiveness and efficiency.

The Committee members, as well as the CEO, the Director, Governance and Legal Services, the Chief Financial Officer and the Vice-Presidents in their capacity as *ex officio* members of the Committee, will use an evaluation questionnaire (see Appendix F attached) for its annual evaluation process. It will be distributed to Committee members using an online survey tool that enables easier analysis of the results. Normally, the evaluation questionnaire will be completed by Committee members during the third quarter, enabling the results to be analyzed, and an evaluation report prepared, for discussion by the Committee in September.

The Committee Chair will collate and analyze the feedback on a confidential basis. An evaluation report that includes a summary of the numerical ratings and highlights of the general comments will be prepared by the Committee Chair for distribution to the Committee. The Committee Chair may receive assistance from the Director, Governance and Legal Services in the compilation of results and summary of the findings.

With the benefit of the evaluation report, the Committee will then identify specific governance improvement objectives for itself for the coming year. These assigned priorities will then be incorporated into the annual work plans of the relevant Committees and will also be incorporated into the Board's annual macro agenda.

The Committee Chair will report on the outcome of the evaluation process to the Board of Directors, particularly any recommended changes to its governance processes, as part of their report to the Board.

3.14.1 Finance, Audit & Risk Committee - Terms of Reference

Introduction and General Purpose

Management is responsible for the preparation, presentation and integrity of the WCB financial statements and for maintaining appropriate accounting and financial reporting principles and policies. Primary responsibility for information systems, risk management and internal controls of WCB is vested in management and overseen by the Board.

The external auditors are responsible for planning and carrying out, in accordance with professional standards, an audit of the WCB annual financial statements.

The Finance, Audit and Risk Committee's purpose is to review the adequacy and effectiveness of these activities and to assist the Board in its oversight of:

- (a) the WCB's financial affairs, policies and strategies, including its annual and long-term financial plan
- (b) The integrity of the WCB financial statements
- (c) The external auditors' qualifications and independence
- (d) The performance of the WCB internal audit function and external auditors
- (e) The adequacy and effectiveness of corporate controls,
- (f) Risk management, and
- (g) The WCB compliance with legal and regulatory requirements

Specific Responsibilities

The Board of Directors delegates the following roles and responsibilities to the Finance, Audit and Risk Committee:

(a) Financial Statements

Delegated Committee Role	Responsibilities
<i>Review and recommend to the Board of Directors</i>	1. Approval of quarterly financial statements and annual audited financial statements

	<ol style="list-style-type: none"> 2. Approval of the financial content and the Management's Discussion and Analysis section of the Annual Report 3. The appropriateness of accounting policies and financial reporting practices used by the WCB 4. Any significant proposed changes in financial reporting and accounting policies and practices to be adopted by the WCB 5. Appropriate resolution of all major financial issues 6. Approval of annual business plans developed by management 7. Approval of a funding strategy and target average assessment rate 8. Approval of operating and capital budgets and amendments thereto 9. Approval of any carry forward of project budget funds into the next fiscal year, if required to facilitate completion of projects that cross fiscal year end
<i>Decide/approve and report to the Board of Directors</i>	10. Changes in financial and accounting disclosures to be adopted by the WCB; report same to the Board of Directors
<i>Monitor and report highlights to the Board of Directors</i>	<ol style="list-style-type: none"> 11. Quarterly and annual financial performance of the WCB (budget year to date with variance analysis) including: <ul style="list-style-type: none"> • Quarterly reporting on the level of actual to budget variance by program area including an explanation of variances that are close to or exceed 0.05% of the total Administration budget • Quarterly reporting on the level of actual to budget details of approved projects 12. Receive the mid-year and annual report from the external actuary to understand the valuation of the organization's liabilities 13. Public reports on published financial statements (to the extent such releases discuss the financial position or operating results) for consistency of disclosure with the financial statements themselves 14. Key estimates and judgments of Management that may be material to the financial reporting of the WCB

15. New or pending developments in accounting and reporting standards that may affect the WCB

(b) Internal Controls and Risk Oversight Management

Delegated Committee Role	Responsibilities
<i>Review and recommend to the Board of Directors</i>	16. Review and recommend to the Board of Directors the approval of an enterprise risk management framework
<i>Monitor and report highlights to the Board of Directors</i>	<p>17. Monitor and report to the Board of Directors on the effectiveness of the WCB enterprise risk management system through an annual risk assessment by the internal auditor</p> <p>18. Monitor and report to the Board of Directors on the adequacy and effectiveness of the WCB internal control system and information systems through quarterly reports from management, and from the annual management letter from external auditors regarding sufficiency of internal controls</p> <p>19. Reports from the CEO on any issues, events or pending matters that may affect the WCB' relationship with its clients and business partners, or which place at risk the organization's resources, reputation or achievement of its goals and objectives; report on these to the Board of Directors as the Committee considers appropriate</p> <p>20. Annual overview and discussion of the inventory of WCB plans in place to address disaster recovery/business continuity issues</p>

(c) Internal Audit

Delegated Committee Role	Responsibilities
<i>Review and recommend to the Board of Directors</i>	22. The appointment of the internal auditor
<i>Decide/approve and report to the Board of Directors</i>	<p>23. The terms of the annual internal audit plan including objectives, scope, staffing, timetable and proposed fees</p> <p>24. Assess the performance of or removal of the internal auditor</p>

<i>Monitor and report highlights to the Board of Directors</i>	25	Quarterly updates with internal auditor
	26	The internal audit of the WCB and the internal auditor's relationship with the external auditor and with Management
	27	Matters that may affect the independence of the internal auditor including but not limited to the position of the internal audit function within the organization structure of the WCB
	28	Review the findings and follow-up of the internal auditor including any significant disagreements between management and the internal auditor with regard to required systems and controls
	29	Direct and open communication among the Finance, Audit and Risk Committee, the external auditor and the internal auditor.
	30	Meets with the internal auditor at least once per year
	31	<i>In camera</i> meetings with the internal auditor at least once per year in the absence of Management and the external auditor

(d) External Audit

Delegated Committee Role	Responsibilities
<i>Review and recommend to the Board of Directors</i>	32 The appointment of an external auditor
<i>Decide/approve and report to the Board of Directors</i>	33 The terms of the annual external audit engagement plan, including but not limited to the following: <ul style="list-style-type: none"> (i) engagement letter (ii) objectives and scope of the external audit work (iii) materiality limit set by external auditors (iv) areas of audit risk (v) staffing, and in particular, the lead audit partner and the audit partner responsible for reviewing the audit, including partner rotation (vi) timetable, and proposed fees

	<p>34 In advance, where the estimated fee for such services is greater than \$5000, the non-audit services to be provided by the external auditor's firm or its affiliates (including the estimated fees) in accordance with a policy established by Management and approved by the Finance, Audit and Risk Committee, consider the impact on the independence of the external audit work and receive an annual report thereon from Management</p> <p>35 Assess the performance and independence of the external auditor</p>
<p><i>Monitor and report highlights to the Board of Directors</i></p>	<p>36 The work of the external auditor</p> <p>37 The plan, conduct and reporting of the annual external audit, including but not limited to the following:</p> <ul style="list-style-type: none"> • any difficulties encountered, or restriction imposed by Management, during the annual audit, • any significant accounting policies or financial reporting issues, alternative IFRS methods discussed with Management, ramifications and external auditors' preferred alternative, and any other material written communications with Management • the external auditor's evaluation of the WCB system of internal controls, procedures and documentation • the post audit or management letter containing any findings or recommendations of the external auditor including Management's response thereto and the subsequent follow-up to any identified internal control weaknesses • any significant disagreements between management and the external auditor with regard to financial reporting • any other matters that the external auditor brings to the attention of the Finance, Audit and Risk Committee, and • any issues relating to review or appointment of internal or external auditors <p>38 Direct and open communication among the Finance, Audit and Risk Committee, the external auditor and the internal auditor</p> <p>39 Meets with the External Auditor at least once per year</p>

(e) Compliance and Other Oversight

Delegated Committee Role	Responsibilities
<i>Monitor and report to the Board of Directors</i>	<ul style="list-style-type: none">40 Annually the WCB insurance coverage of significant business risks and uncertainties41 Annual report from the CEO regarding the organization's statutory compliance under the Workers' Compensation Act (en route to inclusion of that information in the WSIS report)42 Quarterly Management Representations re due diligence requirements (e.g. CCRA, Workers' Compensation Act, etc.)43 Responses by Management to material information requests from government or regulatory authorities44 Receive annual report of expenses of Board of Directors, senior management and employees45 Receive annual audit report of expenses of Board of Directors, senior management and employees.46 Monitor and report to the Board of Directors on the achievement of benefits realization measures for the core system

(f) Other Duties

The Finance, Audit and Risk Committee will investigate (or cause an investigation to be undertaken) and recommend a resolution to the Board of any issues or concerns referred to it by the Governance and Policy Committee (as the point of entry for any complaints or concerns) arising from complaints under the WCB Code of Conduct that may relate to a breakdown of financial disclosure controls or internal controls over financial reporting. Depending upon the nature of the complaint, the Committee may delegate the investigation and resolution of the complaint to Senior Management.

The Committee will also carry out such other duties as may be determined from time to time by resolution of the Board.

Committee Functioning

The Finance, Audit and Risk Committee will have access to Management and WCB documents as required/appropriate. It will also be provided with the resources necessary to carry out its responsibilities. The Finance, Audit and Risk Committee may engage independent counsel and other advisors, and set and pay the compensation for any advisors so engaged.

In co-ordination with the Governance and Policy Committee, the Committee shall annually review and assess the adequacy of its mandate in relation to evolving best practices and evaluate its effectiveness in fulfilling its mandate.

The Finance, Audit and Risk Committee may establish a subcommittee to review any matters deemed appropriate by the Committee Chair. The subcommittee will provide its recommendation to the Finance, Audit and Risk Committee.

The secretary to the Committee shall be the Vice President, Governance and Legal Services and is responsible for:

- Ensuring that minutes are prepared recording decisions, recommendations and general discussion of the Committee
- Ensuring that decisions and recommendations of the Committee are forwarded to the Board for its next meeting
- Compiling and distributing the agenda of Committee meetings at least five (5) days prior to the Committee meetings, and
- Ensuring that action points identified are carried out.

Membership

The Board Chair, in accordance with s. 157(5) of the Act, appoints board members to committees. The Finance, Audit and Risk Committee will consist of three Board members, one of whom shall be appointed as Chair of the Committee by the Board Chair.

All members of the Finance, Audit and Risk Committee shall meet the standard of financial literacy, which entails the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the WCB financial statements. Committee members shall exercise the care, diligence and skill that a person of ordinary prudence would exercise in dealing with the property of another person and shall use all relevant knowledge and skill that the member possesses.

At least one committee member shall have accounting or financial management expertise.

The Board Chair shall not serve as a member of the Finance, Audit and Risk Committee, but may attend Committee meetings.

Ex officio, non-voting members of the Finance, Audit and Risk Committee include: Chief Executive Officer, CFO, Vice President of Finance and Vice President, Governance and Legal Services.

Any Director who is a member of the Finance, Audit and Risk Committee serves at the pleasure of the Board Chair.

From time to time, additional non-voting resources may be added to the Committee by the Board Chair where considered necessary to enable the Committee to fulfill its mandate.

Meetings

The Finance, Audit and Risk Committee shall meet at least four (4) times per year, with additional meetings at the call of the Committee Chair, or as directed by the Board of Directors. The WCBNS' external auditor, internal auditor, or any two members of the Finance, Audit and Risk Committee, may call a special meeting of the Finance, Audit and Risk Committee by contacting the Committee Chair.

The agenda will normally be set by the Committee Chair based upon the Committee's work plan and annual objectives. Committee members or the Board Chair may also suggest agenda items to the Committee Chair. The agenda and background material for meetings will be delivered to members at least five (5) days prior to the Committee meeting.

The Finance, Audit and Risk Committee will have separate private meetings with the external auditors, the chief internal auditor, Management or any other persons to discuss any matters that the Committee or these groups believe should be discussed.

The external auditor and the internal auditor shall attend meetings of the Finance, Audit and Risk Committee if either has requested the opportunity to do so or has been requested to do so by a Finance, Audit and Risk Committee member. The external or internal auditors may be invited to make presentations to the Finance, Audit and Risk Committee, as appropriate.

Quorum & Decision Making

A quorum for the transaction of business at a meeting of the Committee will be a majority of Directors appointed to the Committee. For greater certainty, to achieve quorum the majority of committee members must include both employer and worker representatives.

The Committee will attempt to reach consensus on recommendations to the Board on decisions delegated to the Committee. In exceptional circumstances, where consensus does not appear to be possible, the Committee may refer the matter directly to the Board without a recommendation.

Accountability and Reporting to the Board

The Chair of the Committee will prepare written reports for the Board of Directors on the work of the Committee and will be guided in the preparation of these reports by a reporting template for Committees.

Education and Development

The Finance, Audit and Risk Committee values the importance of receiving ongoing education in order to develop and maintain the knowledge required to effectively fulfil its responsibilities. This include 'in house' education on topics, as well as attendance at conferences or courses that are relevant to the work of the Committee. The Committee Chair or the Vice President, Governance and Legal Services will advise Committee members of relevant education opportunities as information becomes available.

See section 4.1 'Ongoing Board of Directors Education' for more details and guidelines for Board education.

Committee Objectives, Annual Work Plan and Timetable

In consultation with the Board Chair, the Committee will formulate annual objectives for the Finance, Audit and Risk Committee for each year and review progress against them at least annually.

The Committee will annually establish a work plan for its scheduled committee meetings, which plan will include any specific priorities assigned to the Committee by the Board of Directors. The attached table sets out the basic work plan to be used as a starting point each year.

Finance, Audit & Risk Committee Agenda Item	Q1	Q2	Q3	Q4
Financial Statements <ul style="list-style-type: none">- Reviews external audited annual financial statements and recommends to the Board of Directors.	X	X		
<ul style="list-style-type: none">- Recommends unaudited quarterly financial statements, including public reports on financial statements for consistency of disclosure with financial statements	X	X	X	X
<ul style="list-style-type: none">- Reviews quarterly and annual financial performance of the WCB and reports highlights to the Board of Directors	X	X	X	X
<ul style="list-style-type: none">- Approves financial content and the Management Discussion and Analysis section of the Annual Report	X			

- Receive mid-year and annual report from the external actuary to understand the valuation of the organization's liabilities.	X		X	
Corporate Plan and Budget				
- Reviews and recommends annual business plan and proposed rate of return				X
- Reviews and recommends funding strategy and target average assessment rate		X		
- Reviews and recommends operating and capital budgets, including proposed rate of return		X		
- Reviews and recommends carry forward of project funds into the next fiscal year, if required to facilitate completion of projects that cross fiscal year end	X			
Internal Controls and Risk Oversight				
- Reviews and discusses the report of Enterprise Risk Management including the full risk heat map.	X	X	X	X
- Monitors and reports to the Board of Directors on the effectiveness of the enterprise risk management system through an annual risk assessment by the internal auditor				X
- Reviews and discusses inventory of plans in place to address disaster recovery/business continuity issues and reports highlights to the Board of Directors			X	
Internal Auditor				
- Approves terms of internal audit plan for the coming year.				X
- Reviews internal audit updates and recommends action as required.	X	X	X	X
- Meets with internal auditor at least once per year		X		
- Regular <i>in camera</i> meeting with Internal Auditor and with Committee alone.		X		
External Auditors				
- Approves terms of yearly engagement letter.				X

- Monitors and reports to the Board on the plan, conduct and reporting of the annual external audit	X			
- Meets with the External Auditor at least once per year.	X	X		X
- Annual <i>in camera</i> meeting with External Auditor.	X	X		X
Compliance and Other Oversight - Recommends quarterly reports on goods and services procurement, statutory employer remittances and OH&S compliance.	X	X	X	X
- Receives annual report from the CEO of any litigation matters that could significantly affect the financial statements	X			
- Receives and recommends annual report from the CEO regarding the organization's statutory compliance under the Workers' Compensation Act (en route to inclusion of that information in the WSIS report).	X			
- Receives annual report of expenses of Executive Committee and Board of Directors	X			
- Receives annual audit report of expenses of Board of Directors, senior management and employees				X
- Receives results of annual Committee evaluation process			X	

3.14.2 Investment Committee - Terms of Reference

Introduction and General Purpose

The Investment Committee assists the Board of Directors to:

- Establish investment policies and guidelines for the WCB' funds
- Evaluate and analyze all major financial issues.

Specific Responsibilities

The Board of Directors delegates the following roles and responsibilities to the Investment Committee:

Delegated Committee Role	Responsibilities
<i>Review and recommend to the Board of Directors</i>	<ol style="list-style-type: none"> 1. Approval of investment and procurement policies (or amendments thereto) 2. On an annual basis, the continued appropriateness of the Statement of Investment Policy and Objectives 3. Approval of material transactions as required in policies such as investment, procurement, etc. 4. Approval of borrowing/line of credit 5. The appointment/termination of investment consultants and managers directly contracted by the WCB 6. Annually review and recommend revisions (if necessary) to investment-related Conflict of Interest Guidelines and revisions
<i>Decide/approve and report to the Board of Directors</i>	<ol style="list-style-type: none"> 7. Review and approve investment consultants mandates 8. Investment manager mandates for managers directly contracted by the WCB including the asset class and any constraints on investments within that class 9. Periodic assessment of the investment consultant's performance and fees 10. Approval of investments in accordance with delegated limits
<i>Monitor and report highlights to the Board of Directors</i>	<ol style="list-style-type: none"> 11. Quarterly investment reports outlining the performance for all asset classes plus the total portfolio against performance measurement targets, and the actual performance of the portfolios versus the appropriate benchmarks 12. On an annual basis, the risk assumptions and asset return assumptions imbedded in the current investment policy and, if changes have occurred, then review the policy asset mix and the weighted benchmark standard of performance 13. At least annually, the organization's compliance with investment policies

Other Duties

The Committee will also carry out such other duties as may be determined from time to time by resolution of the Board.

Committee Functioning

The Investment Committee will have access to Management and WCB documents as required/appropriate. It will also be provided with the resources necessary to carry out its responsibilities. The Committee may engage independent counsel and other consultants, and set and pay the compensation for any consultants so engaged.

In co-ordination with the Governance and Policy Committee, the Committee shall annually review and assess the adequacy of its mandate in relation to evolving best practices and evaluate its effectiveness in fulfilling its mandate.

The secretary to the Committee shall be the Vice President, Governance and Legal Services and is responsible for:

- Ensuring that minutes are prepared recording decisions, recommendations and general discussion of the Committee
- Ensuring that decisions and recommendations of the Committee are forwarded to the Board for its next meeting
- Compiling and distributing the agenda of Committee meetings at least five (5) days prior to the Committee meetings, and
- Ensuring that action points identified are carried out.

Membership

The Board Chair, in accordance with s. 157(5) of the Act, appoints board members to committees. The Investment Committee will consist of three Board members, one of whom shall be appointed as Chair of the Committee by the Board Chair. In the administration and investment of the WCB investment portfolio, Committee members shall exercise the care, diligence and skill that a person of ordinary prudence would exercise in dealing with the property of another person and shall use all relevant knowledge and skill that the member possesses.

Ex officio, non-voting members of the Committee include: Chief Executive Officer, CFO, Vice President of Finance and Vice President, Governance and Legal Services.

Any Director who is a member of the Committee serves at the pleasure of the Board Chair.

The Board Chair shall not serve as a member of the Investment Committee, but may attend Committee meetings. Directors who are not members of the Investment Committee may attend committee meetings but will not have the right to vote on matters requiring decisions.

From time to time, additional non-voting resources may be added to the Committee by the Board Chair where considered necessary to enable the Committee to fulfill its mandate.

Meetings

The Investment Committee shall meet at least four (4) times per year, with additional meetings at the call of the Committee Chair, or as directed by the Board of Directors.

The agenda will normally be set by the Committee Chair based upon the Committee's work plan and annual objectives. Committee members or the Board Chair may also suggest agenda items to the Committee Chair. The agenda and background material for meetings will be delivered to members at least five (5) days prior to the Committee meeting.

Education and Development

The Investment Committee has a fiduciary responsibility to provide governance oversight of the WCB investment portfolio on behalf of employers and injured workers. The Investment Committee values the importance of receiving ongoing education in order to develop and maintain the knowledge required to effectively fulfil this responsibility. This include 'in house' education on topics, as well as attendance at conferences or courses that are relevant to the work of the Committee. The Committee Chair or the Vice President, Governance and Legal Services will advise Committee members of relevant education opportunities as information becomes available.

See section 4.1 'Ongoing Board of Directors Education' for more details and guidelines for Board education.

Quorum & Decision Making

A quorum for the transaction of business at a meeting of the Committee will be a majority of Directors appointed to the Committee. For greater certainty, to achieve quorum the majority of committee members must include both employer and worker representatives.

The Committee will attempt to reach consensus on recommendations to the Board on decisions delegated to the Committee. In exceptional circumstances, where consensus does not appear to be possible, the Committee may: a) take a vote; or b) refer the matter directly to the Board. The Committee Chair may only vote in a case of a tie vote.

Accountability and Reporting to the Board

The Chair of the Committee will prepare written reports for the Board of Directors on the work of the Committee and will be guided in the preparation of these reports by a reporting template for Committees.

Committee Objectives, Annual Work Plan and Timetable

In consultation with the Board Chair, the Committee will formulate annual objectives for the Investment Committee for each year and review progress against them at least annually.

The Committee will annually establish a work plan for its scheduled committee meetings, which plan will include any specific priorities assigned to the Committee by the Board of Directors. The attached table sets out the basic work plan to be used as a starting point each year.

Investment Committee Agenda Item	Q1	Q2	Q3	Q4
Investment Reports				
- Reviews and recommends Year end Investment Report.	X			
- Monitors and reports highlights of quarterly Investment Reports.	X	X	X	X
Investment Managers				
- Monitors performance of the Outsourced Chief Investment Officer				X
Investment Policy				
- Reports on annual review of Statement of Investment Policy and Objectives (including the risk and asset return assumptions imbedded in the current investment policy and the organization's compliance with investment policies) and recommends revisions to the Statement of Investment Policy and Objectives as required.			X	
- Reports on periodic review on specific investment issues and makes recommendations as required.	X	X	X	X
OTHER				
- Regular <i>in camera</i> session with the Committee alone.	X	X	X	X
- Monitors the Custodian.	X			
- Receives results of annual Committee evaluation process.			X	

3.14.3 Governance & Policy Committee - Terms of Reference

Introduction and General Purpose

The Governance and Policy Committee assists the Board of Directors to:

- Continuously improve the effectiveness and efficiency of the Board's functioning through the adoption of progressive governance policies and practices
- Determine priorities and consider proposals for program policies, governance policies and legislative/regulatory amendments
- Consider priorities for the WCB through the review of emerging issues and long term trends
- Provide human resources oversight, including leadership in the annual evaluation and compensation of the CEO
- Consider appropriate levels of stakeholder involvement in relation to policy development/revision and strategic or annual business planning

Specific Responsibilities

The Board of Directors delegates the following roles and responsibilities to the Governance and Policy Committee:

Delegated Committee Role	Responsibilities
<i>Review and recommend to the Board of Directors</i>	<ol style="list-style-type: none">1. Approval of/revisions to governance policies, including the Board's Code of Conduct and Conflict of Interest policies and a Communications and Stakeholder Relations Policy.2. Approval of terms of reference for Board nominees to WSIS committees3. Approval of a process for developing program policies for the organization4. Approval of a process for periodically developing/reviewing WCB priorities for legislative and regulatory changes5. Approval of new/amended program policies6. Approval of WCB-recommended changes to legislation and/or regulations7. Approval of process guidelines for the recruitment/selection of a CEO8. Approval of annual CEO performance objectives and evaluation process

	<ul style="list-style-type: none"> 9. Approval of annual performance rating and performance objectives for the CEO 10. Approval of compensation policy/philosophy re CEO 11. Approval of annual compensation level for the CEO 12. Approval of high level principles for collective bargaining 13. Approval of high level human resources principles for the organization 14. Approval of the appointment of the Vice President, Governance and Legal Services 15. Approval of an annual board evaluation process 16. Approval of a structure and terms of reference for Board Committees 17. Approval of a macro (12-24 months) Board agenda
<i>Decide/approve and report to the Board of Directors</i>	<ul style="list-style-type: none"> 18. Review and approve succession plan for the CEO's position, based on the report of the Development and Succession Committee.
<i>Monitor and report highlights to the Board of Directors</i>	<ul style="list-style-type: none"> 19. Quarterly reports on staff programs for health, safety and wellness 20. Changes to senior management structure 21. Receive the annual Leadership Development and Succession Plan, including the Replacement Plan for the CEO and other senior level positions, from the Development and Succession Committee. 22. Annual highlights of long-term HR strategy through the CEO 23. Annual stakeholder relations and communications plan 24. The effectiveness of the WCB stakeholder relations and communications, as contemplated by the stakeholder relations and communications policy 25. Oversight of the annual board evaluation process

Other Duties

The Committee will also carry out such other duties as may be determined from time to time by resolution of the Board.

<i>Committee Functioning</i>

The Governance and Policy Committee will have access to Management and WCB documents as required/appropriate. It will also be provided with the resources necessary to carry out its responsibilities. The Committee may engage independent counsel and other advisors, and set and pay the compensation for any advisors so engaged.

The Committee shall annually review and assess the adequacy of its mandate in relation to evolving best practices and evaluate its effectiveness in fulfilling its mandate.

The secretary to the Committee shall be the Vice President, Governance and Legal Services and is responsible for:

- Ensuring that minutes are prepared recording decisions, recommendations and general discussion of the Committee
- Ensuring that decisions and recommendations of the Committee are forwarded to the Board for its next meeting
- Compiling and distributing the agenda of Committee meetings at least five (5) days prior to the Committee meetings, and
- Ensuring that action points identified are carried out.

Membership

The Board Chair, in accordance with s. 157(5) of the Act, appoints board members to committees. The Governance and Policy Committee will consist of the entire board membership and will be chaired by the Board Chair. All committee members shall be independent of management of the WCB.

Ex officio, non-voting members of the Committee include: Chief Executive Officer, Chief People Officer, and Vice President, Governance and Legal Services.

Any Director who is a member of the Committee serves at the pleasure of the Board Chair.

From time to time, additional non-voting resources may be added to the Committee by the Board Chair where considered necessary to enable the Committee to fulfill its mandate.

Meetings

The Governance and Policy Committee shall meet at least four (4) times per year, with additional meetings at the call of the Committee Chair, or as directed by the Board of Directors.

The agenda will normally be set by the Committee Chair based upon the Committee's work plan and annual objectives. Committee members or the Board Chair may also suggest agenda items to the Committee Chair. The agenda and

background material for meetings will be delivered to members at least five (5) days prior to the Committee meeting.

Quorum & Decision Making

A quorum for the transaction of business at a meeting of the Committee will be a majority of Directors appointed to the Committee. For greater certainty, to achieve quorum the majority of committee members must include both employer and worker representatives.

The Committee will attempt to reach consensus on recommendations to the Board on decisions delegated to the Committee. In exceptional circumstances, where consensus does not appear to be possible, the Committee may refer the matter directly to the Board without a recommendation.

Accountability and Reporting to the Board

The Chair of the Committee will prepare written reports for the Board of Directors on the work of the Committee and will be guided in the preparation of these reports by a reporting template for Committees.

Committee Objectives, Annual Work Plan and Timetable

The Governance and Policy Committee will formulate annual objectives for the Committee for each year, in keeping with the Board's governance improvement objectives, and review progress against them at least annually.

The Committee will annually establish a work plan for its scheduled committee meetings, which plan will include any specific priorities assigned to the Committee by the Board of Directors. The attached table sets out the basic work plan to be used as a starting point each year.

Governance and Policy Committee Agenda Item	Q1	Q2	Q3	Q4
CEO				
- Reviews and approves succession plan for CEO, from the report of the Development and Succession Committee.	X			
- Compiles results of annual CEO performance evaluation, reviews findings and recommends annual CEO performance rating to the Board.	X			
- Recommends annual compensation level for CEO	X			
- Recommends CEO performance objectives for the coming year.	X			
Human Resources				
- Receives quarterly reports on staff programs for health, safety and wellness.	X	X	X	X

- Receives and reports on highlights of long-term HR strategy, including leadership succession plan.				X
- Receives the annual Leadership Development and Succession Plan, including the Replacement Plan for the CEO and other senior level positions, from the Development and Succession Committee.	X			
Corporate Governance				
- Recommends changes to the Corporate Governance Manual from annual review.				X
- Reviews and recommends specific governance policies as required.	X	X	X	X
Board of Directors				
- Compiles annual Board of Directors evaluation responses and reports to the Board of Directors.	X			
- Reviews and recommends macro Board agenda for coming year.		X		
- Reviews and recommends terms of reference for Board nominees to WSIS committees.		X		
Program Policies				
- Review and recommend process for developing program policies, if required.	X			
- Review and recommend new/amended program policies, as required.	X	X	X	X
OTHER				
- Receive and report on annual stakeholder relations and communications plan.	X			
- Receives results of annual Committee evaluation process.			X	
- Regular <i>in camera</i> session with the Committee alone.	X	X	X	X

3.14.5 Development and Succession Committee - Terms of Reference

Introduction and General Purpose

The Board of Directors ('the Board') Development and Succession Committee provides advice, guidance and support to the Board in the areas of director recruitment, onboarding/orientation of new directors, development and education of directors, and director off boarding processes.

The Committee also provides high level oversight of the succession planning process for the CEO and other senior level positions, including the details of the short-term replacement plans for these positions in the event of any unexpected absences.

Specific Responsibilities

The Board of Directors delegates the following roles and responsibilities to the Development and Succession Committee:

Recruitment of Board of Directors

- The Committee develops and maintains a multi-year Board of Directors succession plan, including a prioritized list of the preferred skills, abilities, qualifications and attributes of directors that are required to meet the governance needs of the organization. The Committee shares highlights of the succession plan annually with the Board of Directors.
- The Committee regularly reviews and updates the board's skills self-assessment tool, as outlined under section 5.6 of this manual, as part of its succession planning process, to ensure that competency descriptions for directors are relevant and reflect changes in the evolving governance landscape. The Committee makes recommendations to the Board regarding any suggested changes to the assessment tool.
- The Committee regularly reviews the position description for Board members on the Executive Council's website under Agency, Board and Commission Opportunities, and the WCB's website, to ensure the position description for directors is up to date. The Committee regularly obtains input from the Board on any changes to the position description on the websites.
- The Committee reviews the results of individual director self-assessments, and the overall skills matrix for the entire Board of Directors, to advise the Board of any priority requirements in skills, abilities, qualifications and characteristics that are required to meet the ongoing governance needs of the organization. The Committee incorporates these results into the overall succession plan for the Board of Directors.
- The Committee provides advice to the Chair of the Board of Directors, to communicate proactively with stakeholder groups regarding the priority requirements in skills, abilities, qualifications and characteristics that are required to meet upcoming vacancies, and to develop a talent pipeline of future director candidates in the stakeholder community.

Onboarding Process

- The Committee provides advice to the Board Chair on the orientation and onboarding approach for new members, as outlined under section 5.12 of the Governance Manual, including the checklist of key documents that is included in the orientation package for new members.
- The Committee provides advice to the Board Chair on the identification of initial development plans, peer mentorship arrangements, and committee assignments for new members.

Board of Directors Ongoing Education

- The Committee provides advice to the Board Chair of the ongoing education needs of Board members, as outlined under section 5.13 of this manual, including principles, eligibility criteria, annual budget considerations, and the creation of individual development plans for directors. The Committee will consider ideas from other directors and Committee Chairs in providing advice on the development needs of the Board.

Off Boarding

- The Committee provides advice to the Board Chair on the off-boarding process to be used for members who are leaving the Board, in order to capture any lessons learned and to identify potential future governance improvements.
- The Committee Chair may assist the Board Chair in conducting exit interviews with departing directors, and will share any themes arising from exit interviews with the Committee.
- Departing directors will be invited to attend a final board meeting prior to their departure. Remuneration and expenses for departing directors will be paid in accordance of section 5.14 of the governance manual.

Leadership Development and Succession Planning

- The Committee ensures that a leadership development and succession planning process is in place at the WCB Nova Scotia. As part of this process, the Committee ensures there is a replacement plan in place for the CEO's position and that the CEO, in turn, has a replacement plan in place for senior leadership and other key positions within the WCB.
- The Committee reports highlights of the annual leadership development and succession planning process to the Governance and Policy Committee.

Other Duties

The Committee will also carry out such other duties as may be determined from time to time by resolution of the Board.

Membership

The Board Chair, in accordance with s. 157(5) of the Act, appoints board members to committees. The Succession and Development Committee will consist of three Board members, one of whom shall be appointed as Chair of the Committee by the Board Chair. Any Director who is a member of the Committee serves at the pleasure of the Board Chair.

Committee members shall exercise the care, diligence and skill that a person of ordinary prudence would exercise in dealing with the property of another person and shall use all relevant knowledge and skill that the member possesses.

Ex officio, non-voting members of the Committee includes the Director, Governance and Legal Services, who shall act as secretary to the Committee.

Meetings

The Development and Succession Committee shall meet at least two times per year, with additional meetings at the call of the Committee Chair, or as directed by the Board of Directors.

The agenda will be set by the Committee Chair based upon the Committee's work plan and annual objectives. Committee members or the Board Chair may also suggest agenda items to the Committee Chair. The agenda and background material for meetings will be delivered to members at least five (5) days prior to the Committee meeting.

Committee Functioning and Evaluation

The Development and Succession Committee will meet on the schedule that is required to fulfill its duties. The Committee will have access to Management and WCB documents as required/appropriate to fulfill its roles and responsibilities. The Committee may engage independent counsel and other consultants as required.

In co-ordination with the Governance and Policy Committee, the Committee shall annually review and assess the adequacy of its mandate in relation to evolving best practices and evaluate its effectiveness in fulfilling its mandate.

Education and Development

The Development and Succession Committee values the importance of receiving ongoing education in order to develop and maintain the knowledge required to effectively fulfil this responsibility. This include 'in house' education on topics, as well as attendance at conferences or courses that are relevant to the work of the Committee.

The Committee Chair or the Director, Governance and Legal Services will advise Committee members of relevant education opportunities as information becomes available.

See section 4.1 'Ongoing Board of Directors Education' for more details and guidelines for Board education.

Quorum & Decision Making

A quorum for the transaction of business at a meeting of the Development and Succession Committee will be a majority of Directors appointed to the Committee. For greater certainty, to achieve quorum the majority of committee members must include both employer and worker representatives.

The Development and Succession Committee will attempt to reach consensus on recommendations to the Board on decisions delegated to the Committee. In exceptional circumstances, where consensus does not appear to be possible, the Committee will refer the matter directly to the Board for a decision.

Accountability and Reporting to the Board

The Chair of the Development and Succession Committee will present written reports for the Board of Directors on the work of the Committee.

Annual Work Plan and Timetable

In consultation with the Board Chair, the Development and Succession Committee will annually establish a work plan for its scheduled meetings, which will include any specific priorities assigned to the Committee by the Board of Directors. The attached table sets out the basic work plan to be used as a starting point each year.

Agenda Items	Q1/Q2	Q3/Q4
Review term expirations of Board members for the upcoming year and report highlights to Board.	X	X
Discuss prioritized list of preferred skills, abilities, qualifications and attributes of directors.	X	X
Monitor completion of director competency self-assessment process and update results of overall skills matrix for the Board. Share matrix with the Board.	X	
Update the Board's succession plan annually and report highlights to the Board.	X	
Review the Board's competency self-assessment tool and matrix to ensure that competency descriptions are relevant and remain current.		X
Conduct annual evaluation of Committee.		X
Periodically review the position description for Board members on the Executive Council website and WCB's website for accuracy and completeness.		X
Provide advice to the Board Chair on the orientation and onboarding approach for new members.	X	X
Provide advice to the Board Chair on the ongoing education needs of Board members.	X	
Receive the annual Leadership Development and Succession Plan from the CEO, including the Replacement	X	

Plan for the CEO and other senior level positions, and reports highlights to the Governance and Policy Committee.		
Assist the Chair in conducting exit interview with departing directors and share themes arising from the exit interview with the Committee.	X	X
Receive an update from management on progress with implementation of the roadmap for Inclusion, Diversity, Equity and Accessibility.	X	

3.14.6 Key Performance Indicators Committee – Terms of Reference

Introduction and Purpose

The Board of Directors ('the Board') Key Performance Indicators (KPI) Committee provides advice, guidance and support to the Board in the development of key performance indicators to gauge the progress of the WCB Nova Scotia in achieving its strategic objectives.

Definitions

Performance Management: Performance management is an umbrella term that describes the methodologies, metrics, processes and systems used to monitor and manage the business performance of an enterprise.¹

Key Performance Indicators (KPIs): KPIs provide a focus for strategic and operational improvement, create an analytical basis for decision making and help focus attention on what matters most². There are generally two levels of KPIs used by the WCB Nova Scotia:

- Corporate level KPIs are the key quantifiable indicators used at an organization level to gauge the WCB Nova Scotia's progress toward achieving its strategic objectives. These are strategic level indicators that track key organizational objectives over the long term. Targets and outcomes of corporate level KPIs are approved and monitored by the Board of Directors, through the KPI Committee, and are reported on publicly.
- Key Operational Indicators (KOIs) sit at a level below corporate level KPIs. KOIs show progress of different activities that work toward the broader strategic level KPIs. These typically include divisional and team level performance measures. Management's progress on KOIs will be reported to

¹ Definition of Corporate Performance Management (CPM) - Gartner Information Technology Glossary

² What is a Key Performance Indicator (KPI)? - KPI.org

the KPI Committee to help gauge progress on strategic level KPIs but are not reported publicly.

Specific Responsibilities

The Board of Directors delegates the following roles and responsibilities to the KPI Committee:

- The KPI Committee recommends Corporate Key Performance Indicators to the Board to measure the progress of the organization in achieving its strategic objectives.
- The Committee recommends annual targets for Corporate KPIs to the Board of Directors.
- The Committee monitors the organization's corporate KPI results over time.
- The Committee receives regular updates from staff on the progress of initiatives that support the strategic plan objectives and associated Key Performance Indicator results.

Other Duties

The Committee will also carry out such other duties as may be determined from time to time by resolution of the Board.

As required, the KPI Committee may provide advice to the Chair on the development of strategic level KPIs for the Chief Executive Officer for purposes of annual goal setting by the CEO.

Membership

The Board Chair, in accordance with s. 157(5) of the Act, appoints board members to committees. The KPI Committee will consist of three Board members, one of whom shall be appointed as Chair of the Committee by the Board Chair. Any Director who is a member of the Committee serves at the pleasure of the Board Chair.

The membership of the Committee includes the Committee Chair, two voting Board members who are employer and worker representatives. Two Board members may be appointed to serve on the Committee as alternates.

Committee members shall exercise the care, diligence and skill that a person of ordinary prudence would exercise in dealing with the property of another person and shall use all relevant knowledge and skill that the member possesses.

Ex officio, non-voting members of the Committee include the Chief Executive Officer (CEO), the Chief Operating Officer, and the Vice President, Governance and Legal Services, who will act as secretary to the Committee.

Quorum & Decision Making

A quorum for the transaction of business at a meeting of the KPI Committee will be a majority of Directors appointed to the Committee. For greater certainty, to achieve quorum for decision making purposes the majority of committee members must include both employer and worker representatives with voting rights in attendance at the meeting.

The KPI Committee will attempt to reach consensus on recommendations to the Board on decisions delegated to the Committee. In exceptional circumstances, where consensus does not appear to be possible, the Committee will refer the matter directly to the Board for a decision.

Meetings

The KPI Committee will meet quarterly, with additional meetings at the call of the Committee Chair, or as directed by the Board of Directors.

The agenda will be set by the Committee Chair based upon the Committee's work plan and annual objectives. Committee members or other Board members may also suggest agenda items to the Committee Chair. Whenever it is possible to do so, the agenda and background material for meetings will be delivered to members at least five (5) days prior to the Committee meeting.

Committee Functioning and Evaluation

In co-ordination with the Governance and Policy Committee, the Committee will annually review and assess the adequacy of its mandate in relation to evolving best practices and evaluate its effectiveness in fulfilling its mandate.

The KPI Committee will meet on the schedule that is required to fulfill its duties. The Committee will have access to Management and WCB documents as required/appropriate to fulfill its roles and responsibilities. The Committee may engage independent counsel and other consultants as required.

Education and Development

The KPI Committee values the importance of receiving ongoing education to develop and maintain the knowledge required to effectively fulfil this responsibility. This includes 'in house' education on topics, as well as attendance at conferences or courses that are deemed relevant to the work of the Committee.

The Committee Chair or the Vice President, Governance and Legal Services will advise Committee members of relevant education opportunities as information becomes available.

See section 4.1 'Ongoing Board of Directors Education' for more details and guidelines for Board education.

Accountability and Reporting to the Board

The Chair of the KPI Committee will present written reports for the Board of Directors on the work of the Committee.

Annual Work Plan and Timetable

In consultation with the Board Chair, the KPI Committee will annually establish a work plan for its scheduled meetings, which will include any specific priorities assigned to the Committee by the Board of Directors. The attached table sets out the basic work plan to be used as a starting point each year.

Agenda Items	Q1	Q2	Q3	Q4
Recommend corporate Key Performance Indicators to the Board as needed	X	X	X	X
Recommend annual targets for Key Performance Indicators to the Board of Directors	X			
Monitor results of Key Performance Indicators and report highlights to Board of Directors	X	X	X	X
Receive updates from staff on the progress of key initiatives that support the strategic plan objectives and associated Key Performance Indicator results	X	X	X	X
Conduct an annual review of statistics on the Association of Workers' Compensation Board of Canada website	X			
Conduct annual evaluation of Committee			X	
Establish a work plan for the upcoming year				X

Governance Responsibilities

4.1 Governance Principles

Governance is the process and structure for decision-making within an organization, with a view to establishing clear responsibilities and accountabilities. Effective governance provides a framework for action/implementation and enables an organization to move forward with confidence to achieve its mission and vision.

The Board of Directors of the WCB believes that effective and efficient governance is an essential foundation for the organization's success. The following principles describe the governance philosophy endorsed by the Board of Directors:

We believe that:

- Our governance must never lose sight of our historic reasons for being - our organization was established by the provincial government as an act of public policy flowing from the Meredith Report (1913)
- All board members, no matter how they are appointed to the Board of Directors, have a fiduciary duty to act in the best interests of the organization as a whole (and not any particular stakeholder interests).
- The best interests of the organization are served when the public policy reasons for its creation are advanced. These include:
 - The framework established by the Meredith Report
 - Financial viability of that insurance system
 - Compensation/benefits that is/are reasonable to support the injured workers
 - Rates need to be reasonable for employers
 - A fully-funded system
 - Safe and healthy workplaces
 - Efficient and specialized administration of claims
 - Lack of red-tape
 - User friendly, accessible and plain language system
 - Workers are being referred to professionals using best practices (quality care through leading/best/safe practices, with quality monitoring)
 - WCB as the final arbiter of issues (with rare exceptions where referrals to Courts/WCAT or recommendations to Government for legislative change are advanced) in a timely and fair manner
 - Reduction of litigiousness of the system
- Our decision-making methods (i.e. consensus, majority vote, etc.) should be clear before we are called upon to decide matters
- Once decisions are made in accordance with the processes and structures in place, everyone within the organization should publicly support the organization's position
- Our governance should be rooted in ethical conduct and legal compliance

- Our governance should promote and preserve the public trust in our organization
- The Board of Directors should be focused on the future and provide “high level” strategic direction and oversight to the organization (versus operationally focused on day-to-day management issues)
- Our governance should be based upon clearly defined and respected responsibilities and roles (e.g. of the system organizations, stakeholders, government, the Board of Directors and the CEO)
- Stakeholders should have appropriate and meaningful engagement in our governance
- Decisions at all levels of the organization should be based upon reasonable evidence/information, including the consideration of trends and their implications for our organization and its stakeholders
- Our governance needs to foster the ability to make difficult decisions and to keep moving the organization forward
- Effective planning, implementation and monitoring/reporting systems are foundations for our organization’s accountability to its stakeholders
- Our governance should foster proactive policies and decision-making versus reactive ones and should encourage stakeholders to look to and respect the ability of WCB to solve major issues or concerns (versus government or the courts)
- Our governance should focus on the WCB as an independent and autonomous organization, while maintaining awareness that our organization is part of a broader WSIS system

4.2 **Board Culture**

The Board of Directors expects ethical and businesslike conduct of its members and of itself as a whole. Members of the Board of Directors are accountable for exercising the powers and discharging their duties honestly, in good faith, in the best interests of the WCB. This accountability supersedes the personal interest of any board member.

In order for the Board of Directors to be an effective decision-making “unit” and to add value to the organization through its collective action, the members of the Board need to develop a “high performance” culture that supports this.

The members of the Board of Directors of the WCB define their desired board culture as one in which:

- The Board of Directors functions as a team and speaks with one voice
- The Board of Directors is open, transparent and accountable with respect to its decisions
- Board members are encouraged to engage in healthy debate with a view to constructively exploring solutions that are in the best interests of the organization

- Board members are very aware of conflicts of interest (be they real, potential or perceived) and are vigilant about raising them, discussing them and resolving them
- Board members are mindful and/or aware of all stakeholder interests – in other words, during the “information in” discussion phase of a particular matter, a broad range of stakeholder interests may be identified and discussed; however, once the Board moves to the decision-making phase, the Board must weigh any competing interests and make a decision that is in the long-term best interests of the organization and the system
- The Board and its members will collectively seek solutions that are in the best interests of the organizations vs. individual stakeholder interests
- The board members demonstrate a shared understanding of the best interests of the organization
- There is a strong deference to Committee work, assuming that there are opportunities for “broad board input” at initial stages of a committee’s consideration of an issue and that the committee reporting back to the Board outlines the process and alternatives considered in coming to a particular recommendation
- The Board will make difficult decisions to allow the organization to continue to move forward
- The Board strives for consensus
- The Board of Directors strives for excellence, not perfection; it supports the concept of continuous improvement and learns from both its successes and challenges
- There is a mutually supportive and sense of “oneness” with management/staff of the organization, and within the context of a larger system
- The relationship between the Board of Directors and the CEO and the Director, Governance and Legal Services is based on trust, collaboration and clear understanding of responsibilities
- The Board is flexible enough to recognize that a changing environment may require “mid-course” corrections to previously approved plans
- The Board make decisions based upon research and evidence versus anecdotal references
- Board members act as valuable “early warning signals” by identifying potential issues or risks to the Chair or the CEO, based upon their knowledge of stakeholder groups

Each newly appointed Board of Director member shall receive an orientation, which will include a review of the Board Culture.

4.3 Accountability

The Board of Directors will govern in accordance with its Board Culture and specific accountabilities. Subject to the Board Culture and section

4.4, there should be openness and transparency regarding all matters considered by the Board of Directors, other than for:

- a. acquiring or selling property;
- b. personnel matters;
- c. labour relations issues;
- d. specific case files;
- e. contract negotiations;
- f. litigation and potential litigation;
- g. legal advice;
- h. security; and
- i. other confidential matters designated by the Board of Directors.

The Board of Directors is responsible to stakeholders for providing competent, conscientious, and effective delivery of the responsibilities entrusted to it by legislation, through its role as part of the Workplace Safety and Insurance System and as defined in the Vision, Mission, Strategic Goals and Objectives for Governance and Accountability. The Board of Directors will take measures through WCB management and create processes to help facilitate ongoing contact between stakeholders and the Board of Directors as well as between individual Board members and stakeholders. In particular, the WCB will participate in stakeholder consultation in the Fall, if held by the WSIS Coordinating Committee. The Board of Directors is encouraged to participate in the annual general meeting of the Workplace Safety and Insurance System.

4.4 Confidentiality of Information

These guidelines have been developed with the intention of (a) preserving the privacy to which workers and employers are entitled, (b) protecting information the confidentiality of which is essential to effective decision-making by the Board, and (c) permitting the development of public education and awareness.

Confidentiality is legally governed by the Workers' Compensation Act and the Freedom of Information and Protection of Privacy Act. However, the Board's broader goal of fair, efficient and effective decision-making may, in some circumstances, place further restrictions on the release of information. Although part-time Board members are representatives of employers and workers, their primary role is to act as a cohesive, deliberate body for the management and government of the Board.

Section 192 of the Workers' Compensation Act stipulates:

"No person who is

- a) a member of the Board of Directors;
- b) an officer or employee of the Board;...

shall release any information obtained by virtue of the person's office or employment except in accordance with the Freedom of

Information and Protection of Privacy Act, unless the information is released

- e) in the performance of the person's office or employment;
- f) with the approval of the Board of Directors or the Chief Appeal Commissioner; or
- g) pursuant to this Part.

The WCB's files contain sensitive medical and personal information. It is particularly important in maintaining the confidence of workers and employers that such information not be disclosed to anyone without the express authority of the Board as a whole and in compliance with the Freedom of Information and Protection of Privacy Act and Board Policy 10.3.10 Corporate Information Protection Policy.

Board members are encouraged to participate in communications that assist in educating the public, workers and employers about the role of the Board and the general administration of the Act.

Board members may find the following guiding principles to be of assistance:

- (a) The content of a specific claim file should never be disclosed.
- (b) The substance of the Board's oral deliberations should not be disclosed.
- (c) Agenda items for future Board meetings may be disclosed to facilitate general consultations with constituents regarding such agenda items. Specific options or recommendations advanced by Board staff for discussion at future Board meetings should not be disclosed.

Written materials received by Board members that analyze and review general issues may be disclosed. Such disclosure should be limited to such individuals as are necessary to assist Board members in effectively carrying out their functions as Board members. Written materials identifying a specific worker or employer should not be disclosed.

4.5 Conflict of Interest Guidelines

As detailed in Section 4.2, the members of the Board of Directors are accountable for exercising their powers and discharging their duties honestly, in good faith and in the best interests of the WCB as described in Section 4.1. When there is a conflict of interest, the member's ability to discharge his/her responsibilities to the WCB is inhibited. For that reason, where a conflict of interest is declared to exist by a member or the Chair, the member must refrain from voting on or participating in any way in any matter in which the conflict exists, and must refrain from any attempt to influence decision-making on any such matter.

Because of their role as representatives of workers or employers, Board members are not expected to adhere to the degree of restriction on conflict of interest that is appropriate for WCB employees. Nevertheless, situations may still arise where a Board member is in an unacceptable position of conflict of interest.

For purposes of these guidelines, a conflict of interests exists where a Board member's outside interests, whether personal, familial, financial, professional or otherwise, have an undue influence or may reasonably be perceived to have an undue influence on the member's discharge of his/her responsibilities as a Board member. An undue influence is defined as the improper use of power or trust that deprives a person of free will and substitutes another's objectives. For greater clarity, the Board member's position as a representative of workers or employers is not an undue influence on the member's discharge of his/her responsibilities.

Further, Board members receiving workers' compensation benefits, especially those nominated by injured workers' associations, cannot be treated as being in a conflict of interest situation each time there is a decision that might impact benefits payable or available to injured workers or be treated as being in a personal conflict of interest each time there is a decision that might have an impact on the benefits they receive.

It is impossible to enumerate all of the situations in which a conflict of interests might be said to exist. However, examples where a conflict of interest exists include:

1. a Board member accepts or is offered any remuneration in any form that is related to his/her discharge of the duties of a Board member, other than his/her remuneration from the Board or salary offset from his or her employer while attending to the work of the Board of Directors;
2. a Board member's employer would be directly affected by a Board decision in a manner out of proportion to other employers in the same class;
3. a Board member has a claim with the WCB and is part of a small group potentially affected by a policy decision of the Board regarding a particular type of benefit;
4. a Board member's workers compensation benefits arise by virtue of being a member of a distinct class of injured workers created and identified by events in the legislative and litigated history of the workers' compensation program and the benefits payable to such class of injured workers would be potentially affected by a policy decision of the Board ;
5. a Board member is a current or former board member of an organization that receives substantial funding from the WCB where the decision to provide such funding is made by the Board;

6. a Board member has an interest (i.e., an investment) in another organization supplying products or services to WCB clients or employees;;
7. a Board member is employed by a company bidding on a contract with the WCB;
8. a Board member has an association (e.g., family member, close friendship, etc) with the principals of any firm bidding to provide internal or external audit services or investment advisory services to the WCB;
9. a Board member makes very public statements regarding their individual position on an issue that indicates they are unable to change that position and participate in consensus decision-making on the issue;
10. a Board member is unwilling to take a position that is contrary to that taken by other Board colleagues representing the same stakeholder group;
11. a Board member is employed by an employer who is promoting a particular policy decision where the Board member is unable keep an open mind and participate in consensus decision-making on the issue;
12. a Board member feels compelled to follow a stakeholder's position rather than exercising their own judgment about an issue;
13. a Board member feels compelled to give stakeholders advance notice (i.e., before a decision is made) that a decision they may not like is about to be made by the Board;
14. a Board member actively participates in processing WCB claims or in meetings related to return to work between WCB staff, employers and injured workers;
15. a Board member acts in an advocacy or representational role on behalf of an injured worker or an employer, other than by referral of the issue to the CEO;
16. a Board member is an active participant on behalf of his/her employer in an appeal(s) before the WCAT;
17. a Board member actively participates in (versus merely attending) an information session for stakeholders presented by WCB staff members.

The Board as a whole relies on individual Board members to report promptly the existence of or the possibility of actual or perceived conflict of interest. When a conflict does or may exist, the Board member must declare the conflict and either voluntarily withdraw from consideration of the matter in issue or allow the Chair to take appropriate action. The Chair need not wait for the member to report a conflict and may raise an actual or perceived conflict of interest with a Board member.

When there is, in the opinion of the member or of the Chair, an actual or possible conflict of interest, the Board member must identify and disclose to the Chair all details of the situation pertinent to the determination by the

Chair of whether a conflict of interest exists, and if so, the appropriate remedy.

If the Chair determines there may be an actual or perceived conflict of interest of a Board member, the Chair may take whatever action he or she deems appropriate to resolve the conflict, including but not limited to the following:

- (a) Directing the Board member to divest himself/herself of the outside interests;
- (b) Directing the Board member to transfer the outside interests to a neutral or third party;
- (c) Publicizing the potential conflict so that actual conflict may be avoided; or
- (d) Excluding the Board member from discussions or decisions relating to the matter in which the Board member has a conflict of interests.

4.5.1 Board Member Compensation Claims

If a member of the Board of Directors has a compensation claim with the WCB of Nova Scotia, staff shall refer all matters of claim adjudication externally to avoid any perception of conflict. Such referrals will generally be to Workers' Compensation Boards in other jurisdictions that have appropriate expertise in compensation matters to apply the Nova Scotia *Act*, Regulations, and Policies. All claims functions not requiring adjudication, such as cheque processing, will continue to be handled by the WCB of Nova Scotia.

4.6 Board of Directors Agenda

The Board of Directors is responsible for its agenda. Issues will be considered that are within the Board of Directors governance role and responsibilities.

- ▶ The Governance and Policy Committee shall review for recommendation to the Board of Directors the annual agenda outline and meeting schedule constructed by the Chair in consultation with the CEO; the Board macro agenda is attached as Appendix D.
- ▶ Agenda items will be scheduled for discussion or decision in keeping with the Annual WCB Business Plan.
- ▶ The Board of Directors approves the meeting agenda at the commencement of each meeting. The minutes of the previous meeting are reviewed and approved. Items requested by members may be added to the agenda with the approval of the Board of Directors; such items may be discussed at the meeting introduced or referred to staff for research and/or recommendation.

- ▶ The Chair may refer matters to a standing committee of the Board, if the nature of the agenda item warrants such.
- ▶ All supporting materials provided by staff shall, where appropriate, be accompanied by a brief executive summary, which generally should not exceed two typewritten pages.
- ▶ The Board of Directors shall have an in camera period at each meeting.

At each Board of Director meeting the following standing items will appear on the agenda:

- ▶ Report of the Chair – highlights any communications, meetings held or actions taken by the Chair between Board meetings; outlines the agenda items for the Board of Director’s consideration at the meeting.
- ▶ CEO Report –informs the Board of significant issues, events or pending matters, internal or external, that may affect its relationship with clients and business partners, or which place at risk the WCB’s resources, reputation or achievement of its goals and objectives; the information included may be in support of the Board’s governance role as defined in Section 3.3 or for the information of the Board.
- ▶ Business Arising items – information requested by the Board of Directors at previous meetings; the Director, Governance and Legal Services shall track outstanding requests.
- ▶ Reports from Committees – the Chairs or designates of each standing Committee shall report on activities of the Committee since the previous Board of Directors meeting and bring forward recommendations and any other items for Board of Directors’ decision.

4.7 Communications and Stakeholder Relations

The Board of Directors has adopted a WCB Communications and Stakeholder Relations Policy to establish some basic requirements and principles to guide the WCB’s communications and stakeholder relations. A copy of this Policy is attached as Appendix E.

4.8 Policy Development Process

The Board of Directors has approved a process for the development of program policies for the WCB. The details of this process are set out in Board Policy 10.3.11 - *Policy Consultation* and on the WCB website.

5 Governance Operations

5.1 Board Meetings

Board meetings shall be held to conduct the business of the Board of Directors at the discretion of the Chair.

5.2 Authority to Preside

The Chair presides at all Board of Directors meetings and in the Chair's absence the Deputy Chair shall preside, and failing the Deputy Chair, the Chair may designate a Director to serve as Acting Chair (section 155(4)).

5.3 Quorum

The quorum of the Board of Directors is the Chair or Deputy Chair or designated Acting Chair, and one half of the voting members of the Board of Directors (section 155 (1) of the *Act*). For greater certainty, to achieve quorum the majority of members must include both employer and worker representatives.

5.4 Attendance

All Board members are expected to attend all meetings. A member participating via conference call is deemed present at the meeting. If the Chair requests a member be present at a meeting then expenses will be reimbursed for attendance at the meeting.

Should a member be unable to attend, the member should give prior notice to either the Chair or the Director, Governance and Legal Services. Any member who is absent from a regularly scheduled Board of Directors' meeting without due cause or has failed to give prior notice shall meet with the Chair to explain the reason for the absence.

5.5 Meeting 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 a decision is taken.

Board members, including non-voting members, shall participate as equals in the discussion and dissenting points of view shall be encouraged for full exploration of an issue. Members shall participate productively in the discussion within the boundaries of conduct identified within Section 4.2 of this Corporate Governance Manual.

5.6 Motions and Voting

Motions require a mover and a seconder from the voting members of the Board. It is preferred, but not required, that the mover and seconder represent both employer and worker representatives.

Given the bipartite nature of the Board of Directors, significant emphasis is placed on reaching decisions by consensus. The Chair or Deputy Chair acting in place of the Chair may only vote in instances of a tie vote. Members present may only abstain from a vote in a case of a conflict of interest recognized by the Chair regarding the matter before the Board.

The Board of Directors has adopted the following decision making process:

Goal is everyone in agreement (unanimity)

Steps:

- ▶ Recommendation (framed by staff and/or Committee Chair)
- ▶ Proposal framed (motion moved and seconded)
- ▶ Further discussion
- ▶ Amendments, if any
- ▶ Motion as amended
- ▶ Testing of the waters – using tools (straw poll/coloured cards)
- ▶ C-2 (6/2) – Chair declares consensus – Minutes reflect motion carried
- ▶ If less than consensus, Chair discretion –keep discussing, table (postpone temporarily) or call for formal vote. (Can't continuously table – need to land)
- ▶ In case of formal vote – majority rules and Chair breaks a tie
- ▶ Minutes reflect motion carried or defeated

5.7 Meeting Material

The Director, Governance and Legal Services shall endeavor to distribute available material relevant to the meeting agenda to all Board members five business days prior to the meeting. Material prepared by WCB staff should generally include, where applicable:

- an executive summary no more than two pages;
- background information which may be attached as appendices;
- statistical information including graphical representation where possible;
- jurisdictional comparisons;
- current legislation, regulation and/or policy;
- options for course of action where appropriate;
- staff recommendation including draft policy where appropriate.

5.8 Presentations

Presentations are to be made by the Vice President responsible for the issue or a specific subject matter expert. Attendance at the presentation is limited to staff members with specific knowledge or responsibility for an issue. Presentations should not duplicate material previously sent to Board members and should be twenty minutes or less in duration.

Following a presentation and the answering of questions, the Board of Directors may deliberate an item without staff present, except the CEO and Director, Governance and Legal Services.

5.9 Meeting Frequency and Location

The Board's schedule of regular meetings will be determined by its annual macro agenda (see Appendix D). The Board will meet at a frequency required to discharge its duties, which will generally be at least four times per year.

Each Standing Committee will meet a minimum of four times per year. Committee meetings will generally be scheduled sufficiently in advance of Board meetings to allow for a written report of the Committee's work to be provided to the next scheduled meeting of the Board.

Meetings are usually held at the offices of the WCB in Halifax. At least once a year the Board of Directors will hold a Board meeting outside of Halifax. This meeting is held in a different location each year in order that the Board may reach other areas of the Province.

5.10 Meeting Notification

Board members shall receive a schedule of Board and Committee meeting dates for the upcoming year for review before the end of the 4th quarter.

The Chair has the discretion to call a meeting if circumstances arise requiring attention of the Board of Directors before the next scheduled meeting. The Chair will instruct the Director, Governance and Legal Services to send written notification to Board members regarding such meetings endeavoring to give as much notice as possible.

If additional meetings are required for the business of a Committee, the Chair of the Committee shall instruct the Director, Governance and Legal Services to send written notification to Committee members a minimum of five business days prior to the meeting.

5.11 Minutes of Meetings

The Director, Governance and Legal Services or staff designate shall record minutes of all duly constituted Board of Directors and Board Committee meetings. The minutes are not intended to be a verbatim transcript of all proceedings but a high level summary to provide the context for Board of Directors' decisions.

The minutes shall record:

- date and location of meeting;
- Board of Directors member and staff attendance;

- presenters during the meeting;
- all items of decision including approval of agenda, previous minutes and motions;
- a summary of the discussions noting relevant background information and key points;
- any specific reference, comment or discussion point requested for inclusion by a Board member;
- action items for follow up.

The Chair will inform the Director, Governance and Legal Services to record any decisions made by the Board or follow up items requested during *in camera* sessions. Committee Chairs shall advise the Director, Governance and Legal Services of any decisions made during committee *in camera* meetings.

Highlights of Board of Directors meetings will be drafted by the Director, Governance and Legal Services and approved by the Chair for posting to the WCB website as soon as practical following the meetings.

5.12 Board of Directors Orientation

Each new Board member shall receive, as soon as practical upon appointment, an orientation to the Board of Directors and the Workers' Compensation Board. In some instances a Board of Directors meeting is scheduled before a member's official appointment date in which case the member may attend as an observer.

The orientation shall cover:

- the *Workers' Compensation Act* and regulations;
- an overview of the workers' compensation system and agencies;
- the WCB Policy Manual approved by the Board of Directors;
- the Corporate Governance Manual;
- introduction to the Chair and other members of the Board of Directors;
- introduction of the CEO and executive management with an overview of their roles and responsibilities;
- an overview of the CEO evaluation process and provide a copy of the CEO remuneration agreement;
- an overview of the Workers' Compensation Board structure and process including relevant financial, statistical and operational information;
- other material as may be deemed appropriate.

Following completion of the orientation Board members shall sign an acknowledgement that they have received and understood the Corporate Governance Manual.

New Board members shall be assigned a 'Peer Mentor' by the Board Chair. The Peer Mentor serves as a resource and sounding board for new members, helps new members become more comfortable and confident in

carrying out their new responsibilities and helps to introduce them to the issues and work of the Board.

Peer Mentor partnerships pair worker representatives with employer representatives (and vice versa). This approach helps to inform new Board members of all stakeholder perspectives and supports the Board culture of making decisions that are in the best interest of the system, rather than individual stakeholder interests.

Mentoring partners may meet in person and/or virtually prior to and after each meeting during the first year of their term.

5.13 Ongoing Board of Directors Education

The Board of Directors recognizes the importance of providing ongoing development and education for its members on workers' compensation issues as well as governance roles and responsibilities. The first component is an orientation of new Board of Directors members as noted in section 5.12 of this manual.

To facilitate ongoing education, the WCB is a member of several organizations that provide educational venues in the form of colleges or conferences:

- *Association of Workers Compensation Boards of Canada (AWCBC)* www.awcbc.org/
- *American Association of State Compensation Insurance Funds (AASCIF)* www.aascif.org/
- *Institute of Corporate Directors (ICD)* www.icd.ca/
- *International Foundation of Employee Benefits* www.ifebp.org/

Website addresses are provided for the convenience of Board members who may wish to review the events offered by these organizations. As well, the Director, Governance and Legal Services will advise Board members of relevant developmental and educational events as information becomes available.

Yearly Board member attendance and budget formulation will take the following guidelines into consideration:

1. *Individual assessment of development needs* - Board members complete a self-assessment of the knowledge and skills required to fulfill their role as Board members, as part of a competency assessment process. Individual development needs are reviewed annually with the Chair and Deputy Chair to identify appropriate development opportunities for members during the upcoming year.

Individual director funding will be available for directors above and beyond the standard training that is offered to the Board and its

Standing Committees. Funding for individual development will be at the discretion of the Board Chair and must be relevant to the organization's current and future needs and aligned with the board's governance responsibilities and fiduciary duties.

Consideration will be given to the organization's financial capacity when setting an annual budget for individual director development.

2. *Participation on Committees* – Members of Board Committees may require specific training on topics relevant to the work of the Committee. The Committee Chair or the Director, Governance and Legal Services will advise Committee members of relevant education opportunities as information becomes available.
3. Except in extraordinary circumstances, no member would attend *more than 2* conferences, courses or colleges outside the province in a year. This does not include the governance sessions or other training sessions that the Chair deems appropriate for the development of a member.
3. Defensive driving and emergency first aid are requirements for any Board member who operates a motor vehicle to conduct work for the WCB.

Subject to the above guidelines, Board of Directors members may attend other conferences or repeat AWCBC Governance Summits or other focused relevant education that, in the judgement of the Chair, are appropriate.

In consideration of the budget, where courses or conferences are offered at multiple locations, attendance at locations in-province or in-country will be arranged where possible.

Board members are encouraged to bring lessons learned from conferences/education sessions back to the full Board for discussion.

5.14 Remuneration and Expenses

The *per diem* rate for Board of Directors members is specified in the Order in Council appointments. *Per diems* shall be paid for meetings and time related to the discharge of Board duties, including:

- preparation time for Board and Committee meetings;
- travel time to and from meetings if a member cannot reasonably complete travel on the day of the meeting;
- time attending conferences as per ongoing Director development, and
- other Board business on the direction of the Chair.

Travel expenses for meals, mileage and miscellaneous expenses shall be reimbursed in accordance with the staff policy on travel expenses.

The Chair designates the Director, Governance and Legal Services for authorization of Board of Directors claims for *per diems* and expenses incurred by the Board member in accordance with this policy. The Chair of the Audit and Risk Oversight Committee shall authorize expenses of the Chair, or the Deputy Chair if acting in the capacity as Chair.

5.15 Board Evaluation

The Board of Directors has established a process to evaluate its performance on an annual basis. The purpose of the annual board evaluation is to help the Board of Directors continuously improve its effectiveness and efficiency. The most important part of the process is the goal-setting for the next year, based on a realistic assessment of the Board's strengths and opportunities for improvement.

The Board of Directors, as well as the CEO, the Director, Governance and Legal Services, the Chief Financial Officer and the Vice-Presidents, will use an evaluation questionnaire (see Appendix G attached) for its annual evaluation process. It will be distributed to board members using an online survey tool that enables easier analysis of the results. Normally, the evaluation questionnaire will be completed by board members annually, enabling the results to be analyzed and an evaluation report prepared for discussion by the Board of Directors.

The Board Chair will collate and analyze the feedback on a confidential basis. An evaluation report that includes a summary of the numerical ratings and highlights of the general comments will be prepared by the Board Chair for distribution to the Board of Directors. The Committee Chair may receive assistance from the Director, Governance and Legal Services in the compilation of results and summary of the findings.

With the benefit of the evaluation report, the Board of Directors will then identify specific governance improvement objectives for itself for the coming year. Each objective will be assigned to a specific board committee or officer with an indication of when the Board of Directors will consider a recommendation relating to that objective. These assigned priorities will then be incorporated into the annual work plans of the relevant committees and will also be incorporated into the Board's annual macro agenda.

The Board will report on the outcome of the Board evaluation process, particularly any changes to its governance processes, as part of the meeting highlights that are published to the WCB Nova Scotia's website.

5.16 Skills and Diversity Matrix

The Board of Directors has established an annual skills and diversity assessment process to define the optimal characteristics of the board, reflective of the board's current and future needs in

consideration of the organization's strategic plan, risk profile legislative/regulatory requirements, board responsibilities and commitment to diversity in governance and board leadership succession.

Annually, directors complete self-assessments of their perceived level of knowledge, skills and experience to produce a director skills heat map. The Director Skills Matrix proactively defines the needed skills of the board and its directors for communication to government for their consideration in the director nomination and election process. The Director Skills Matrix is also used by the Development and Succession Committee, Board Chair and Committees Chairs to support the ongoing education needs of the board.

The board considers diversity and inclusion as a critical component of succession planning efforts, to ensure the WCB Nova Scotia is governed by a diverse and inclusive Board that is representative of the communities and individuals it serves. The WCB board of directors values diversity of backgrounds, characteristics, lived experiences and perspectives to support effective decision making.

Annually, directors complete an anonymous survey as part of its annual Board evaluation process. A question on this anonymous survey requests members to voluntarily disclose details on the following diversity elements: gender, location, visible minority status, sexual orientation, disability status and Indigenous peoples.

5.17 Departing Gifts for Board of Directors and CEO

The Board of Directors is committed to recognizing the service of departing board members for their contributions in providing stewardship and strategic leadership for the organization. The Board of Directors also believes it is important to recognize the important contribution and service of the Chief Executive Officer upon their departure or retirement from the organization.

The Board of Directors endeavours to balance recognition for the years of service to the WCBNS, while exercising prudence in the expenditure of resources from the Accident Fund. As such, the following parameters are to be applied for all gift purchases:

- Departing members of the Board of Directors will be eligible for a gift up to \$300 + taxes; and
- The Board may purchase a gift for a departing CEO valued up to \$1,000 + taxes. The amount will be at the discretion of the Chair in consideration of the length of service of the CEO.

A departing Board member or CEO cannot receive cash in lieu of a parting gift, but may instead make a donation to a charity of their choice.

Authorization of all gift purchases for the CEO and for departing members of the Board of Directors must be made by the Chair. Authorization of gifts for departing Board Chairs will be made by the Chair of the Finance, Audit and Risk Committee.

Appendix A - Roles Analysis- Board of Directors and CEO

Responsibility: Mission, Vision, and Values

- ▶ Approve, affirm (as part of the regular business planning process) and continually support the Mission, Vision and Values of the WCB
- ▶ Ensure that the organization's values are clearly stated, widely shared and provide a framework for decision-making throughout the WCB
- ▶ E.g. Code of Conduct and Conflict of Interest policies in place to support the values

Roles of the Board

Policy-Making:

- ▶ Approve the organization's Mission and Vision, developed through a collaborative process
- ▶ Endorse the organization's Values

Decision-Making:

- ▶ Ensure decisions are consistent with Mission, Vision and Values
- ▶ Model the Values of the organization in conducting Board business

Monitoring:

- ▶ Receive and consider the following information:
 - Summary of staff and injured worker/employer surveys (annual)
 - Annual summary of positive and negative feedback (trends); implications to the organization, if any
 - Critical evaluation by CEO of progress against strategic plan
 - Ongoing sharing of community feedback with CEO, as appropriate

Roles of the CEO

Policy-Making:

- ▶ Work with the Board to develop and recommend the Mission, Vision and Values for approval by the Board

Decision-Making:

- ▶ Ensure decisions are consistent with Mission, Vision and Values
- ▶ Model the Values and related expectations for employees

Monitoring:

- ▶ Critical evaluation of progress against strategic plan
- ▶ Staff surveys and culture assessments
- ▶ Injured worker and employer satisfaction surveys
- ▶ Formal complaint process
- ▶ Ongoing informal feedback (positive and negative)

Responsibility: Legislation Stewardship and Policy Development

- ▶ Approve a process for the development and periodic review of program policies for the WCB
- ▶ Determine and approve program policies* of the organization
- ▶ Make recommendations to the Governor in Council for legislative changes and creation of regulations under s. 184 of the Act

- ▶ Contribute to other pieces of legislation as appropriate
- ▶ Approve governance policies in areas relating to the Board's stewardship responsibilities (see section on Board Governance later herein)
- ▶ Delegate operational policy development and approval to the CEO
- ▶ Ensure that systems are in place to: (a) identify the need for policies: (b) review and monitor the effectiveness of WCB policies; and (c) report on compliance with WCB policies
- ▶ Approve entering into agreements with the Government of Canada or workers' compensation boards in other jurisdictions

* A "program policy" is a policy made by the Board of Directors pursuant to s. 183 of the Act.

<i>Roles of the Board</i>	<i>Roles of the CEO</i>
Policy-Making: <ul style="list-style-type: none"> ▶ Approve a process* for developing program policies for the organization ▶ Approve a process for periodically developing/reviewing WCB priorities for legislative or regulatory changes ▶ Ensure recommended legislative and regulatory changes are consistent with the strategic direction of the organization and the WSIS 	Policy-Making: <ul style="list-style-type: none"> ▶ Create the process* for developing program policies, for Board approval ▶ Recommend program policies for the consideration of the Board ▶ Advise the Board on issues arising from legislation and regulations and recommend changes for the consideration of the Board ▶ Recommend inter-jurisdictional agreements for Board approval
Decision-Making: <ul style="list-style-type: none"> ▶ Approve program policies ▶ Approve recommendations to government for legislative or regulatory changes ▶ Approve entering into inter-jurisdictional agreements 	Decision-Making: <ul style="list-style-type: none"> ▶ Implement the approved policies ▶ Implement inter-jurisdictional agreements
Monitoring: <ul style="list-style-type: none"> ▶ Receive annual report from CEO re compliance with statutory (Workers, Compensation Act) compliance (en route to inclusion of that information in WSIS report) ▶ Exception reporting through CEO Reports at Board meetings of any significant actual or anticipated non-compliance with any legal or regulatory requirement, any Board program policy or inter-jurisdictional agreement 	Monitoring: <ul style="list-style-type: none"> ▶ Regular monitoring of legal and regulatory requirements, program policies and inter-jurisdictional agreement implementation and compliance

* The involvement ("touch points") of the Board in the program policy process will be defined in the description of that process to be created by the CEO and approved by the Board.

Responsibility: Strategic Plans & Corporate Performance

- ▶ Provide strategic direction in the development, and final approval of the strategic plan for the WCB
- ▶ Contribute to and support the WCB strategic plan
- ▶ Approve the Annual Business Plan, ensuring alignment between the WCB Strategic Plan and the Annual Business Plan
- ▶ Approve the process for strategic planning and annual business planning (e.g. including touch points with Board, how consultative process will be, etc.)
- ▶ Monitor the performance of the WCB against its plan(s) through a performance measurement system that is linked to the organization's strategic plan.
- ▶ Review results of external reviews of the organization and monitor appropriate follow-up plans
- ▶ Contribute to the development of goals for the Workplace Safety and Insurance System Strategic Plan

<i>Roles of the Board</i>	<i>Roles of the CEO</i>
Policy-Making: <ul style="list-style-type: none">▶ Approve a process for developing a strategic and annual business plan▶ Approve terms of reference for Board nominees to WSIS committees	Policy-Making: <ul style="list-style-type: none">▶ Develop the process for strategic and annual business planning for Board approval▶ Leadership role in development of strategic and annual business plan▶ Make Board aware of WSIS goals as context for WCB planning▶ Recommend balanced scorecard measures and targets, for Board approval▶ Develop a performance management and monitoring system
Decision-Making: <ul style="list-style-type: none">▶ Approve the strategic plan▶ Approve the annual business plan▶ Approve balanced scorecard measures and targets as part of the annual and long term business plans	Decision-Making: <ul style="list-style-type: none">▶ Implement the approved plans
Monitoring: <ul style="list-style-type: none">▶ Annual critical evaluation of progress against strategic plan by the CEO▶ Quarterly progress updates vis-à-vis annual business plan, by CEO▶ Quarterly performance reports from the CEO relative to balanced scorecard targets	Monitoring: <ul style="list-style-type: none">▶ Regular evaluation of progress against strategic plan▶ Quarterly reporting to Board on annual plan progress▶ Monthly monitoring with Executive Team

<ul style="list-style-type: none"> ▶ Exception reporting through CEO reports at Board meetings 	<ul style="list-style-type: none"> ▶ Performance relative to balanced scorecard and operational targets- monthly, quarterly or annual review as appropriate ▶ Ongoing monitoring of activities of Investigations Department
---	---

Responsibility: Relationship with Chief Executive Officer

- ▶ Appoint and fix duties and remuneration of a Chief Executive Officer in accordance with Section 158 of the Act
- ▶ Respect and ensure good clarity in the distinct roles of the Board and the CEO
- ▶ Monitor and annually evaluate the CEO's performance in relation to performance expectations agreed upon by the Board and the CEO
- ▶ Support and encourage the CEO's participation in professional development opportunities on an ongoing basis

<i>Roles of the Board</i>	<i>Roles of the CEO</i>
Policy-Making: <ul style="list-style-type: none"> ▶ Approve process guidelines for recruitment and selection of CEO ▶ Develop and approve annual CEO performance objectives and evaluation process ▶ Develop and approve a compensation policy/philosophy re CEO 	Policy-Making: <ul style="list-style-type: none"> ▶ Involvement in the development of the Board-approved processes ▶ Contribute to the Board's development of a succession plan for CEO
Decision-Making: <ul style="list-style-type: none"> ▶ Appoint/terminate the CEO ▶ Determine the annual performance rating and performance objectives for the CEO ▶ Decide compensation level for CEO ▶ Develop and approve succession plan for CEO 	Decision-Making: <ul style="list-style-type: none"> ▶ Significant role in defining CEO's annual performance objectives, for Board approval
Monitoring: <ul style="list-style-type: none"> ▶ Annual CEO performance evaluation process ▶ Ongoing informal through CEO interactions/reports 	Monitoring: <ul style="list-style-type: none"> ▶ Ongoing tracking and demonstrating progress vis-à-vis established goals ▶ Input into performance evaluation through self-evaluation

Responsibility: Financial Oversight

- ▶ Consider and approve the annual business plan and comprehensive budget for the WCB; ensure that these are aligned with the organization's strategic plan
- ▶ Review and approve financial statements on a quarterly basis
- ▶ Appoint an external auditor
- ▶ Approve annual audited financial statements
- ▶ Review and approve material transactions as required in policies such as investment, procurement, etc.
- ▶ Appoint an internal auditor and approve the internal audit plan
- ▶ Approve the WCB funding strategy and target average assessment rate
- ▶ Approve the organization's:
 - (a) investment policy, principles and objectives,
 - (b) financial policies and
 - (c) procurement policies
- ▶ Provide high level stewardship over the resources of the WCB in order to ensure the long-term sustainability of the workers' compensation system

Roles of the Board**Policy-Making:**

- ▶ Approve financial, investment and procurement policies (including budgeting policy, investment policies and objectives, borrowing approvals, procurement policies, compliance reporting, etc.)

Decision-Making:

- ▶ Approve operating and capital budgets and amendments thereto, including funding strategy and target average assessment rate
- ▶ Approve borrowing/line of credit
- ▶ Approve the quarterly financial statements and the annual audited financial statements
- ▶ Approve the appointment of the external auditor
- ▶ Approve the appointment of the investment advisors

Monitoring:***Roles of the CEO*****Policy-Making:**

- ▶ Develop financial, investment and procurement policies for the Board's approval

Decision-Making:

- ▶ Manage the approved budgets to ensure that administrative activity takes place within the approved level of expenditures
- ▶ Ability to draw on line of credit to cover cash shortfalls in accordance with policy

Monitoring:

<ul style="list-style-type: none"> ▶ Annual audited financial statements ▶ Quarterly financial report (budget year to date with variance analysis) to Audit and Finance Committee ▶ Quarterly investment report to Investment Committee ▶ Periodic review of investment advisor's performance, informed by management evaluation of same 	<ul style="list-style-type: none"> ▶ Quarterly review of organization's finances, performance of investment portfolio and compliance with procurement policy ▶ Ongoing monitoring of organization's finances ▶ External audit process ▶ Periodic evaluation of investment advisors' performance
--	---

Responsibility: Risk Management Oversight <ul style="list-style-type: none"> ▶ Understand the principal risks facing the organization and receive and consider an annual review of enterprise risk assessment ▶ Ensure, through the CEO, that there are systems in place to mitigate/manage those risks and monitor the effectiveness of those systems 	
<i>Roles of the Board</i>	<i>Roles of the CEO</i>
Policy-Making: <ul style="list-style-type: none"> ▶ Approve a risk management framework (i.e. categories of potential risk) ▶ Be aware of organization's risk management process ▶ Understand the internal controls and MIS that are in place within the organization 	Policy-Making: <ul style="list-style-type: none"> ▶ Develop the risk management framework for Board approval ▶ Develop a risk management process ▶ Identify, assess and put in place appropriate systems to minimize risks facing the organization ▶ Ensure that appropriate internal controls and management information systems in place
Decision-Making: <ul style="list-style-type: none"> ▶ Determine the overall risk tolerance of the organization (through approval of annual business plan) ▶ Approve the appointment of the internal auditor and the annual internal audit plan 	Decision-Making: <ul style="list-style-type: none"> ▶ All decisions relating to implementation of risk management processes/systems ▶ Implementation of appropriate internal controls ▶ Discretion to resolve any incidents or complaints
Monitoring: <ul style="list-style-type: none"> ▶ Annual enterprise risk assessment from internal auditor ▶ Quarterly reports from internal auditor of results of internal audits ▶ Timely reports from CEO of any issues, events or pending matters that may affect the Board's relationship with its clients and business partners, or which place at 	Monitoring: <ul style="list-style-type: none"> ▶ Ongoing monitoring of safety and risks ▶ Report to the Board as required ▶ Ensure remittance of statutory deductions ▶ Internal audit process ▶ Monitoring of adherence to internal controls

<p>risk the organization's resources, reputation or achievement of its goals and objectives</p> <ul style="list-style-type: none"> ▶ Quarterly Management representations re due diligence requirements (e.g. CRA, <i>Workers' Compensation Act</i>, etc.) ▶ Review of annual management letter from external auditors re sufficiency of internal controls 	
--	--

Responsibility: Human Resources Oversight

- ▶ Ensure, through the CEO, that the WCB develops and maintains a long-term, comprehensive, human resource plan
- ▶ Ensure that policies and systems are in place to foster a work environment that (a) attracts, develops and retains talented people and (b) demonstrates leadership in wellness and safety
- ▶ Ensure that a succession plan is in place for the CEO's position and that the CEO, in turn, has a succession plan in place for senior leadership and other key positions within the WCB

<i>Roles of the Board</i>	<i>Roles of the CEO</i>
<p>Policy-Making:</p> <ul style="list-style-type: none"> ▶ Recommend high level principles for collective bargaining ▶ Approve high-level principles for HR 	<p>Policy-Making:</p> <ul style="list-style-type: none"> ▶ Develop and recommend principles and guidelines for human resource policies ▶ Develop a long-term, comprehensive HR plan and HR policies consistent with principles and guidelines recommended by the Board
<p>Decision-Making:</p> <ul style="list-style-type: none"> ▶ Approve the appointment of the Director, Governance and Legal Services 	<p>Decision-Making:</p> <ul style="list-style-type: none"> ▶ Establish organizational and management structure to implement the corporate plan approved by the Board ▶ Provide leadership to the organization in terms of teamwork, ethical conduct, honesty, integrity, and commitment to performance excellence ▶ Ensure the appointment of competent and motivated staff ▶ Appoint Vice-Presidents ▶ Monitor and evaluate members of executive management and inform the Board of any disciplinary action or severance of the employment relationship of executive management

	<ul style="list-style-type: none"> ▶ Develop the succession plan for senior leadership and other key positions ▶ In conjunction with the Chair, recommend the appointment of the Director, Governance and Legal Services to the Board
Monitoring: <ul style="list-style-type: none"> ▶ Receipt of quarterly reports on staff programs for health, safety and wellness ▶ Awareness, through the CEO, of changes to senior management structure ▶ Sharing of organizational succession plan by CEO ▶ Receipt of periodic reports on progress of collective bargaining ▶ Annual highlights of long-term HR strategy through the CEO 	Monitoring: <ul style="list-style-type: none"> ▶ Prepare quarterly reports on health, safety and wellness ▶ Provide periodic updates on collective bargaining ▶ Direct observation of leadership potential ▶ Systematic performance management/leadership talent review system

Responsibility: Communications, Stakeholder Relations, Advocacy and Accountability

- ▶ Ensure that the WCBNS has policies and systems in place to:
 - protect and continuously enhance the WCB brand and reputation
 - maintain strong and effective relations with all stakeholders, including clients, service providers, workers, employers and government
 - promote the principles of open and transparent dialogue and discussion with our stakeholders
 - advocate on behalf of the WCB and its strategic priorities
 - appropriately receive and address stakeholder concerns/complaints
 - demonstrate accountability to its stakeholders
 - monitor the effectiveness of the WCB stakeholder relations and advocacy
- ▶ At least annually, report to our stakeholders on the organization's progress towards all plans (strategic, financial, advocacy, etc.)
- ▶ Ensure that the organization has a communications plan in place that aligns with its annual business plan and that fosters open, honest and accountable communications with stakeholders

<i>Roles of the Board</i>	<i>Roles of the CEO</i>
Policy-Making: <ul style="list-style-type: none"> ▶ Approve a corporate communications policy ▶ Approve a stakeholder relations policy 	Policy-Making: <ul style="list-style-type: none"> ▶ Develop a corporate communications strategy, consistent with the policy ▶ Develop a stakeholder relations strategy that is consistent with the stakeholder relations policy

<p>Decision-Making:</p> <ul style="list-style-type: none"> ▶ Approve Annual Report 	<p>Decision-Making:</p> <ul style="list-style-type: none"> ▶ In accordance with communications strategy, represent the organization to outside parties and organizations to promote a credible corporate image ▶ Within the communications strategy, represent the organization in its communications and relationships with WSIS agency partners ▶ Develop Annual Report for Board Approval
<p>Monitoring:</p> <ul style="list-style-type: none"> ▶ Participate in annual general meeting and other meetings with stakeholders. ▶ Review annual communications and stakeholder relations plan (s) (for information only) ▶ Receive information on the evaluation of our stakeholder relations/communications ▶ Ongoing feedback to the CEO or the Chair 	<p>Monitoring:</p> <ul style="list-style-type: none"> ▶ Ongoing informal feedback ▶ Media scan ▶ Design and implement systems to evaluate effectiveness of stakeholder relations and communications

Responsibility: Board Governance

- ▶ Contribute to the appointment process for new directors, the Board Chair and Deputy-Chair (e.g. responsibilities of the Board, skills required, geographic gaps, etc.)
- ▶ Ensure that directors have a thorough initial orientation followed by ongoing opportunities to increase their capabilities as directors of the WCB
- ▶ Annually establish goals for the work of the Board and organize/adapt the Board committees and meeting agendas to accomplish these goals
- ▶ Approve the structure and terms of reference of Board of Directors' committees
- ▶ Annually evaluate the performance of the Board, its Chair and its Committees
- ▶ Foster an effective relationship with the CEO and recognize the distinct roles
- ▶ Review Governance Policies and Board practices in the context of evolving standards of governance in the public sector
- ▶ Ensure that a process is in place to identify and resolve conflicts of interests on the part of board members

<i>Roles of the Board</i>	<i>Roles of the CEO</i>
<p>Policy-Making:</p> <ul style="list-style-type: none"> ▶ Approve annual evaluation process ▶ Approve governance policies ▶ Approve structure and terms of reference of Board Committees 	<p>Policy-Making:</p> <ul style="list-style-type: none"> ▶ Assist the Board in its policy development efforts ▶ Facilitate access to professional development opportunities

<ul style="list-style-type: none"> ▶ Approve macro (12-24 month) agenda 	<ul style="list-style-type: none"> ▶ Distribute information on governance trends and best practices ▶ Input into board evaluation
<p>Decision-Making:</p> <ul style="list-style-type: none"> ▶ Corrective/disciplinary action vis-à-vis Board members ▶ Appoint Committee Chairs and members (delegated to Chair) 	<p>Decision-Making:</p> <ul style="list-style-type: none"> ▶ Adhere to practices of good corporate governance as identified in corporate governance policies
<p>Monitoring:</p> <ul style="list-style-type: none"> ▶ Annual board evaluation ▶ Meeting evaluations ▶ Ongoing monitoring of the relationship between the Board and the organization by the Board Chair 	<p>Monitoring:</p> <ul style="list-style-type: none"> ▶ Maintain open, honest and effective communications with the Chair and the Board ▶ Discuss concerns, if any, regarding governance/management roles with Board Chair

Appendix B – Glossary of Terms

Act – The Nova Scotia *Workers' Compensation Act* (Chapter 10, Acts of 1994-95).

Board of Directors – Not more than ten persons, which shall include a Chair, a Deputy Chair and representatives of workers and employers, appointed by Order in Council in accordance with section 151 of the *Act* to govern the Workers' Compensation Board.

CEO – Chief Executive Officer of the WCB appointed by the Board of Directors under section 158 of the *Act*.

Chair – Chair of the Board of Directors appointed under section 151(3) of the *Act*.

Committee Chair – Director appointed by the Chair under section 157(5) to chair a committee of the Board of Directors.

Deputy Chair – Deputy Chair of the Board of Directors appointed under section 151(3) of the *Act*.

Heads of Agencies Committee – A committee of the Heads of the WCB, WAP, WCAT and OH&S with the mandate to oversee the coordinated implementation of the plans developed by each agency and, in particular, to improve collaboration among the agencies.

Minister – Minister of the Department of Labour, Skills and Immigration, responsible for the administration of the *Workers' Compensation Act*.

Officers of the WCB – The CEO, the Chief Financial Officer, the Vice-Presidents and the Director, Governance and Legal Services appointed pursuant to section 151(1) of the *Act*.

System Coordinating Committee – An advisory committee to the Minister, comprised of the Chair and the Deputy Minister of Labour and Workforce Development, with a mandate that includes coordinating recommendations on legislation and overall system coordination.

WCB – Workers' Compensation Board of Nova Scotia created under section 151(1) of the *Act*.

Workplace Safety and Insurance System – system of agencies – Workers' Compensation Board (WCB), Workers' Compensation Appeals Tribunal (WCAT), Workers' Advisers Program (WAP), Occupational Health & Safety (OH&S) - as well as stakeholders of workers and employers, and others who provide services in the System.

Appendix C: Appointment Process for Selecting a Chair or Deputy Chair, Workers' Compensation Board

1. Appointment of the Selection Committee

When the Minister of the Labour, Skills and Immigration determines that the appointment of a new Chair or Deputy Chair is desirable, the Minister will appoint members to an ad-hoc Selection Committee from the following stakeholders:

- 2 members representing employers,
- 2 members representing employees,

An external consultant with executive search experience will assist the Committee throughout the search process. A staff member from the Department of Labour, Skills and Immigration will assist the Committee on the selection and interview process.

The Committee will meet expeditiously to set their agenda, review the criteria, questions for candidates, to conduct interviews and review candidates and make their recommendations to the Minister of Labour, Skills and Immigration.

Members of the Committee shall receive no remuneration, other than their travel expenses and accommodation.

2. Advertising and Screening

The advertisement for the Chair or Deputy Chair will be posted through the Government website, advertisement in the provincial and/or national papers and online job boards. The ad will run prominently in the Careers and Business sections to draw as much interest as possible from those with experience in the workers compensation system, in working with committees related to injury and accident prevention, disability and insurance plans, law, insurance, safety and the corporate sector.

Screening will be conducted by the Selection Committee to ensure the Committee is focused on the most promising and qualified candidates. All background and reference checks will be conducted by the recruitment agency.

3. Interviewing and Scoring

The interviews will be conducted by the Selection Committee and will be scored on a consistent basis. Following the interview process and scoring, the Committee will make its recommendations to the Minister. The Committee will conduct its selection process in a confidential and impartial manner, recognizing that the final selection must be made by the Minister and approved by Cabinet.

4. Criteria to be applied by the Committee

The Committee will use the following criteria when evaluating applicants:

1. Demonstrated experience and knowledge of the following core competencies of the Board of Directors:
 - An understanding and commitment to the vision, mission, values and strategic goals of the workers' compensation system.
 - Ability to foster positive stakeholder relations and communications by maintaining ongoing connection with key stakeholder groups, keeping abreast of issues and developments that impact stakeholders and obtaining informal feedback from stakeholders through linkages in the stakeholder community.
 - Understands role in providing effective stewardship and strategic leadership for the organization. Governance-focussed and able to make decisions that are in the best interest of the larger system.
 - Accounting, investment and/or financial management experience, including analyzing and interpreting financial statements, evaluating organizational budgets and financial reporting.
 - An ability to think strategically about the opportunities and challenges facing the workers' compensation system, and to engage in collaborative planning and policy development processes.
 - Experience and knowledge of enterprise risk management frameworks and risk management oversight. This may include experience or knowledge of auditing practices, organizational controls, and compliance measures.
 - Has technological literacy. Experience with providing oversight of the design and implementation of enterprise-wide information technology systems, cybersecurity strategy and privacy policies.
 - Experience and knowledge leading or providing oversight of forward-thinking innovation or transformational change initiatives.
 - Experience and knowledge providing human resource oversight including setting the tone for organizational culture, succession planning, workplace health, safety and wellness, appointment of the CEO, approval and monitoring of CEO compensation levels, monitoring reports on staff programs for health, safety and wellness, and approval of high level principles for collective bargaining. Understanding of justice, equity, diversity, and inclusion in the context of working with diverse individuals and groups that comprise the workers' compensation system.
 - Knowledge and experience establishing and monitoring Key Performance Indicators for the organization.

In addition to possessing the competencies of the Board, demonstrates the following personal attributes and characteristics:

- Experience with board governance acquired through prior board or

- committee service, preferably having prior experience as chair.
- Effective communicator and active listener with ability to express ideas, opinions, and positions clearly.
- A relationship builder who can foster collaborative relationships with others.
- Understands the importance of teamwork to the success of the Board and values the contributions of fellow Board members and staff.
- Able to effectively manage differing opinions and obtain consensus when faced with opposing views.
- Proactive and agile, able to adapt to changing environments.
- Possesses moral courage, ethical integrity, fairness and respects the dignity of others.
- Experience and record of achievement in law, medicine, insurance, finance, or managing a business.

5. Selection Process

1. The Committee will consider all written material submitted in support of an application.
2. The Committee will interview all candidates screened by the Selection Committee.
3. The Committee will assess the candidates and make notes regarding the strengths and weaknesses of each candidate.
4. The Committee will submit to the Minister a shortlist of recommended candidates with a précis of information about each.
5. The shortlist will contain not fewer than 2 nor more than 5 candidates and the candidates will not be ranked in order of the Committee's preference.
6. To ensure that the Government is given full and frank advice, the reports of the Committee will not be disclosed except to members of the Executive Council or to persons preparing the material for consideration by the Executive Council. All reports of the committee will be kept strictly confidential.
7. Where the advice received from other sources appears to be at variance with that of the Committee, the Minister may ask the committee for a reassessment.
8. The Governor in Council has the ultimate responsibility to make appointments under the Workers' Compensation Act.
9. The Members of the Selection Committee shall sign a confidentiality agreement prior to participating in the process.

Appendix D – WCB Communications and Stakeholder Relations Policy

1.0 Overview

Our governing legislation establishes a stakeholder model for the WCB board of directors. Board members with roots in key stakeholder groups are appointed to the board of directors by government. By virtue of their experience in and knowledge of key stakeholder environments, board members can ensure that the implications of policies and decisions on various stakeholders will be identified and considered as part of their governance of the organization. While board members must act in the best interests of the WCB as a whole, and not as advocates for particular stakeholder interests, their ongoing connection with stakeholder groups provides a valuable source of information and perspective.

The board of directors believes that it is essential for stakeholders to have trust and credibility in the WCB if we are to succeed in achieving our Vision and Mission. Effective stakeholder relations and communications play a critical role in achieving this trust and credibility. As we carry out our work, the board of directors is interested in understanding and being responsive to stakeholder interests and concerns.

Generally our stakeholders include workers, employers and associations that represent their interests; government and partner agencies. Other people and organizations in Nova Scotia may also have an interest in the WCB.

The purpose of this policy is to establish some basic requirements and principles to guide our organization's communications and stakeholder relations. Given the range of communications that occur on a daily basis in an organization like ours, it is not intended to be exhaustive, but rather to establish guiding principles and key minimum standards.

The WCB's Communications and Stakeholder Relations are guided by the following principles. Our stakeholder relations and communications will strive to:

- *Engage and consult stakeholders* in an open exchange of information to help the WCB become better informed about the range of views on a particular topic. This open exchange will help us make decisions that are in the best interests of the system as a whole.
- *Clearly explain in plain language* our policies and decisions, including the reasons for them.
- *Keep stakeholders informed* about our plans and our progress by presenting a balanced and accountable picture of our accomplishments and challenges.

- *Value relationships and partnerships* as we work to create a workplace safety culture in Nova Scotia. Only by working together with all Nova Scotians can we change attitudes and behaviours and reduce the human suffering associated with workplace injury. This includes leveraging partnerships to raise awareness of workplace injury in Nova Scotia.
- *Maximize the use of technology* to make our stakeholder relations and communications accessible and efficient.
- *Live the WCB's values* of being safety champions, caring and compassionate and having a can-do attitude. These values guide our communications, stakeholder relations and all other decisions the WCB makes.

2.0 Responsibilities

Clarity of roles and responsibilities provides a solid foundation for effective WCB communications and stakeholder relations.

The WCB board of directors is responsible for the governance of the WCB based upon a stakeholder model of governance prescribed in legislation. As part of its stewardship of the organization, the board of directors is responsible to approve the WCB's Communications and Stakeholder Relations Policy, to receive the WCB's annual communications plan and to ensure evaluation of the effectiveness of the WCB's stakeholder relations and communications.

In addition to their oversight responsibilities, board members are uniquely positioned, because of their connection to our stakeholder communities, to foster positive stakeholder relations and communications by:

- Receiving regular feedback via injured worker and employer surveys, the results of which are shared with the board of directors,
- Participating in the annual general meeting
- Attending formal stakeholder discussions and consultation sessions,
- Obtaining informal feedback from stakeholders through their linkages in the community and sharing that information with the CEO to assist with operational and/or communications planning, and
- Referring specific complaints about operational matters to the CEO or designate.

Through effective communications and stakeholder relations, the board of directors makes informed decisions as they develop policies and set the organization's priorities. Ultimately, the board must act in the best interests of the WCB as a whole.

The CEO is responsible for the development and implementation of a communications strategy/plan in keeping with this policy. The CEO plays a significant leadership role in representing the organization and in fostering strong relationships with significant stakeholders. The CEO will foster positive stakeholder relations and communications by:

- Ensuring the WCB receives regular feedback from injured workers and employers through stakeholder satisfaction surveys;
- Fostering relationships with WSIS agency partners;
- Ensuring the publication of Annual and Quarterly Reports;
- Participating in the annual general meeting;
- Attending formal stakeholder discussions and consultation sessions;
- Obtaining informal feedback from stakeholder discussions and feedback through the board of directors; and
- Monitoring service complaints.

In addition, the CEO will monitor the effectiveness of the WCB's stakeholder relations and communications and report on that evaluation to the board of directors.

3.0 Implementation

The following minimum requirements will guide WCB communications and stakeholder relations.

3.1 Spokespersons

The board Chair is the principal spokesperson for the WCB Board of Directors; the CEO is the principal spokesperson for WCB operations.

When a board member is contacted for comments on the WCB or to represent it publicly, he or she will inform the Chair before taking action. Board members will only act as spokespersons with the approval of the Chair.

The CEO may appoint other spokespersons for WCB operations as appropriate.

3.2 Annual/Quarterly Reports

The WCB prepares an annual report by April 1 of each year and quarterly reports 90 days after the end of each quarter and delivers those to the Minister of Labour and Advanced Education in accordance with the *Workers' Compensation Act*. The annual report contains financial and other information as approved by the board of directors. The Chair approves the quarterly financial reports on behalf of the board.

Copies of annual and quarterly reports are posted to the WCB's corporate

website upon tabling in the House of Assembly. Annual reports are available to stakeholders, media and the public free of charge.

3.3 Release of Other Public Information

As above, the board of directors and/or the Chair approves the annual and quarterly financial reports. The Chair also approves highlights of board meetings that are available to the public.

All public information that does not require prior approval of the board of directors (e.g. press releases, fact sheets, presentations, backgrounders, speeches, public awareness programs etc.) must receive approval from the CEO or designate before being released unless the CEO advises otherwise.

3.4 Stakeholder Relations

As a key partner in the Workplace Safety and Insurance System, the WCB facilitates stakeholder consultation on strategic planning for the system and takes the lead on coordinating the annual meeting each spring. All Nova Scotians are encouraged to attend annual meetings.

The WCB is interested in engaging stakeholders in a dialogue about what we are doing. We encourage stakeholder involvement in the process and stakeholders affected by changes to programs or service delivery mechanisms are consulted regarding the changes where appropriate. Management may utilize a variety of tools such as small group discussions, e-consultations, surveys, etc as appropriate to the discussion topic.

As per policy 10.3.11, stakeholders are consulted on *new or significantly revised* policies which are approved by the board of directors.

3.5 Stakeholder Enquiries/Complaints

Enquiries regarding publicly available information will be dealt with promptly by the Director, Communications or designate.

The Chair or CEO generally will deal with enquiries from the Minister or other senior government officials.

Other enquiries normally will be directed to the Director, Communications who will evaluate the request, respond directly or through a designate when appropriate or gather the necessary background information and direct the request to the CEO.

Enquiries regarding personal information held by the WCB will be dealt with in accordance with the *Freedom of Information and Protection of Privacy Act* (FOIPOP).

Complaints about the WCB's service are dealt with by the WCB's Client Relations Officer according to Policy 10.3.1R.

3.6 Media Enquiries

The WCB is open and responsive to media inquiries on any topic related to the WCB (in keeping with requirements under the *Freedom of Information and Protection of Privacy Act*). Enquiries from the media will be directed to the Director, Communications or designate who will evaluate the request, respond directly or gather the necessary background information and direct the request to the CEO or Chair, as appropriate.

3.7 Speeches and Presentations

Prior to accepting invitations for speeches and presentations on behalf of the WCB, board members will obtain the approval of the Chair.

Prior to accepting invitations for speeches and presentations on behalf of the WCB, employees will obtain approval from the CEO or designate.

3.8 Websites

WCB websites are a vital means of public communication. Ensuring the websites are user-friendly and maintaining the timeliness and currency of the websites is the responsibility of the Director, Communications.

All policies approved by the board of directors are available directly through the WCB's corporate website.

3.9 Use of Plain Language

We will strive for continuous improvement in making our communications to clients and stakeholders easy to understand through the use of plain language wherever possible.

4.0 Reporting and Other Operating Procedures

4.1. Routine Reporting

The Chair and/or CEO, as appropriate, will inform the board of relevant communications, stakeholder and media relations activities at regularly scheduled board meetings.

4.2 Alternates

If the position of Chair is vacant, the communications responsibilities of the Chair will be fulfilled by the Deputy Chair or another individual so authorized by the board.

If the position of CEO is vacant, the responsibilities of the CEO will be assigned to another individual authorized by the board.

If the position of Director, Communications is vacant, the responsibilities of the Director, Communications will be fulfilled by an individual authorized by the CEO.

4.3 Evaluation

The WCB will monitor the effectiveness of this policy through regular surveys of injured workers and registered employers on their satisfaction with the service they receive from the WCB, including clarity of information. The results of these surveys will assist in evaluating the effectiveness of this policy.

The WCB may also undertake periodic audits/evaluations of its compliance with this policy.

Appendix E - Workers' Compensation Board of Nova Scotia Committee Evaluation

Introduction

The purpose of the committee evaluation is to foster continuous improvement in the effectiveness and efficiency of the Board's standing committees. It provides an opportunity to celebrate existing strengths and identify areas of potential improvement. Feedback will be summarized on a non-attribution basis.

	Level of Performance							
	Excellent	Good	Fair	Poor				
1. The Committee is effective in carrying out its roles and responsibilities as outlined in its terms of reference. <i>Please identify the most important role and responsibility of the committee.</i>	7	6	5	4	3	2	1	Unsure
2. The Committee receives adequate material in advance of committee meetings, in sufficient time and detail to permit members to effectively consider issues to be dealt with and make effective decisions. <i>Any comments on the timeliness or content of material provided to the Committee?</i>	7	6	5	4	3	2	1	Unsure
3. The Committee is spending their time focused on the right issues. <i>What are the most important issues or topics the Committee should spend its time on?</i>	7	6	5	4	3	2	1	Unsure
4. As a Committee, we have a good understanding of the risks subject to our oversight. <i>Any comment on these risks?</i>	7	6	5	4	3	2	1	Unsure
5. The Committee has established and follows a Committee work plan, and is flexible in making adjustments as new issues emerge. <i>Please comment on any recommended enhancements to the Committee's annual work plan:</i>	7	6	5	4	3	2	1	Unsure
6. The Committee has the expertise and training required to be effective in fulfilling their role.	7	6	5	4	3	2	1	Unsure

Please comment on possible improvements to training and development opportunities for Committee members:

7. The Committee has the information it needs to make informed decisions.	7	6	5	4	3	2	1	Unsure
---	---	---	---	---	---	---	---	--------

Please comment on the quality and/or timeliness of the information the Committee receives to make its decisions:

8. There is sufficient management support and external advice/resources available to the Committee to conduct effective meetings and to make good, timely decisions.	7	6	5	4	3	2	1	Unsure
--	---	---	---	---	---	---	---	--------

Any Comments on the nature of management or external advice provided?

9. The length, frequency and location of Committee meetings is sufficient.	7	6	5	4	3	2	1	Unsure
--	---	---	---	---	---	---	---	--------

Any comments on the length, frequency and location of Committee meetings?

10. What suggestions do you have about how to improve the Committee's effectiveness?

11. The Committee Chair keeps the meeting focused, keeps us on track and on time, encourages participation and maintains effective meeting discipline.	7	6	5	4	3	2	1	Unsure
--	---	---	---	---	---	---	---	--------

Any comments on how effectively the Committee Chair manages meetings?

12. The Committee Chair demonstrates leadership and effectively manages to the affairs of the Committee.	7	6	5	4	3	2	1	Unsure
--	---	---	---	---	---	---	---	--------

Any comments on the Committee Chair's leadership in managing the affairs of the Committee?

13. The Committee Chair's greatest strengths are:

14. What suggestions, if any, do you have about how the Committee Chair might improve his or her performance?

Appendix F - Workers' Compensation Board of Nova Scotia - Board Evaluation

PART 1 - THE BOARD OF DIRECTORS

Workers' Compensation Board of Nova Scotia - Board Effectiveness Evaluation

Introduction

The purpose of the board evaluation process is to foster continuous improvement in the effectiveness and efficiency of the Board's structure and functioning. It provides an opportunity to celebrate existing strengths and to identify areas of potential improvement for the coming year. Feedback will be summarized on a non-attribution basis.

PART 1 - THE BOARD OF DIRECTORS

	Level of Performance							
	Excellent		Good		Fair		Poor	
1. The Board of Directors ensures that directors have a thorough initial orientation as part of their onboarding to the Board. <i>Please comment on opportunities for improvement to the Board's onboarding process:</i>	7	6	5	4	3	2	1	Unsure
2. The Board of Directors ensures that directors have ongoing opportunities to enhance their capabilities as directors of the WCBNS. <i>Please comment on possible improvements to the Board's development and training opportunities:</i>	7	6	5	4	3	2	1	Unsure
3. The Board of Directors has effective succession processes in place for the CEO, and is aware of the succession processes for senior leadership and other key positions within the WCBNS. <i>If you have suggestions for improvements to the Board's succession management processes please specify below:</i>	7	6	5	4	3	2	1	Unsure
4. The Board has effective strategic planning processes, and effectively monitors its progress in achieving its strategic plan. <i>If you have suggestions for improvements to the Board's strategic planning process please specify below:</i>	7	6	5	4	3	2	1	Unsure

5. The Board approves the Annual Business Plan and budget of the WCB Nova Scotia, and actively monitors performance against the plan and the balanced scorecard targets on a regular basis.

If you have suggestions for improvements to the Board's annual planning and budgeting processes please specify below:

7 6 5 4 3 2 1 Unsure

6. The Board focusses on the most important issues facing the organization and discussions are focused on providing strategic direction, rather than being operationally focused on management issues.

Please comment on the Board's focus on strategic vs. operational issues:

7 6 5 4 3 2 1 Unsure

7. The Board of Directors has the information its needs to make informed decisions.

Please comment on the quality of the information the Board receives to make its decisions:

7 6 5 4 3 2 1 Unsure

8. The Board of Directors functions as a team and speaks with one voice.

Please provide example(s) of when the Board functioned as a team, or did not function as a team.

7 6 5 4 3 2 1 Unsure

9. Board members engage in healthy debate with a view to constructively exploring solutions that are in the best interests of the organization.

Why or why not?

7 6 5 4 3 2 1 Unsure

10. Reports and presentations from Committees and management are clear, concise and assist the Board in making effective decisions.

Any suggested improvements for management or Committee reports to the Board?

7 6 5 4 3 2 1 Unsure

11. There is sufficient management support, appropriate participation by management and external advice/resources available to the Board to conduct effective meetings and make good decisions.

7 6 5 4 3 2 1 Unsure

Any comments?

12. The length, frequency and location of board meetings is sufficient.
Any comments on the length, frequency and location of board meetings?

7 6 5 4 3 2 1 Unsure

13. The Board of Directors has good governance structures and processes in place that supports its ability to govern effectively.
Are there specific areas of the Board's processes or structures that requires close Board attention for the upcoming year? If so please comment below:

7 6 5 4 3 2 1 Unsure

14. The Board of Directors has established the appropriate committees to undertake the Board of Directors' mandate.
Any comments on Board Committees?

7 6 5 4 3 2 1 Unsure

15. There is good participation by all Board members in meetings and members offer their perspectives openly and honestly.
Any comments on participation in meetings?

7 6 5 4 3 2 1 Unsure

16. As a Board, we make decisions in the best interests of the organization, not individual stakeholder interests.
Any comments on Board decision making in the interests of the organization?

7 6 5 4 3 2 1 Unsure

17. Board members understand and respect the importance of maintaining confidentiality for board documents, discussions and decisions.
Any comments on Board confidentiality?

7 6 5 4 3 2 1 Unsure

18. The Board has effective stakeholder engagement processes in place including opportunities for stakeholder engagement.
Any comments on Board stakeholder engagement?

7 6 5 4 3 2 1 Unsure

19. The Board is informed and aware of stakeholder views/opinions on WCB issues. <i>Any comments on Board members' awareness of stakeholder views?</i>	7	6	5	4	3	2	1	Unsure
---	---	---	---	---	---	---	---	--------

20. Board members support board decisions, once made. <i>Any comments?</i>	7	6	5	4	3	2	1	Unsure
---	---	---	---	---	---	---	---	--------

21. The top three strengths of the Board are:

22. The top three areas in which we could improve as a Board are:

PART II - THE BOARD CHAIR'S PERFORMANCE

	Excellent	Good	Fair	Poor				
23. The Chair keeps the meeting focused, keeps us on track and on time and maintains effective meeting discipline. <i>Any Comments?</i>	7	6	5	4	3	2	1	Unsure
24. The Chair demonstrates leadership and effectively manages the affairs of the Board. <i>Any Comments?</i>	7	6	5	4	3	2	1	Unsure
26. The Chair values the importance of consensus decision-making. <i>Any Comments?</i>	7	6	5	4	3	2	1	Unsure
27. The Chair encourages healthy debate and participation during meetings, with a view to constructively exploring solutions that are in the best interests of the organization. <i>Any Comments?</i>	7	6	5	4	3	2	1	Unsure
28. The Chair keeps the Board of Directors informed of significant/sensitive issues. <i>Any Comments?</i>	7	6	5	4	3	2	1	Unsure

29. The Chair is an effective relationship builder - with board members, the CEO (and senior leadership team), system partners and stakeholders.

Any Comments?

7 6 5 4 3 2 1 Unsure

30. The Chair appropriately advances board business between meetings.

Any Comments?

7 6 5 4 3 2 1 Unsure

31. The Chair's greatest strengths are:

32. What suggestions, if any, do you have about how the Chair might improve his/her performance?

PART IIII - THE DEPUTY CHAIR'S PERFORMANCE

Excellent Good Fair Poor

33. The Deputy Chair fulfills the expectations of the Chair, in the absence of the Chair.

Any comments?

7 6 5 4 3 2 1 Unsure

34. The Deputy Chair provides assistance to the Chair, when required.

Any Comments?

7 6 5 4 3 2 1 Unsure

35. The Deputy Chair participates actively in the discussion.

Any Comments?

7 6 5 4 3 2 1 Unsure

36. The Deputy Chair's greatest strengths are:

37. What suggestions, if any, do you have about how the Deputy Chair might improve his/her performance?

Appendix G - Director Integrated Skills and Diversity Matrix

Part 1 – Introduction

To ensure the WCB Nova Scotia board of directors is comprised of individuals that collectively possess a balance of skills and expertise to contribute to the effective governance of the organization, the board has adopted a Director Skills and Diversity Matrix. This matrix is intended to define the optimal characteristics of the board, reflective of the board's current and future needs in consideration of the organization's strategic plan, risk profile legislative/regulatory requirements, board responsibilities and commitment to diversity in governance and board leadership succession.

Annually, directors complete self-assessments of their perceived level of knowledge, skills and experience against the matrix to produce a director skills heat map. The Director Skills Matrix proactively defines the needed skills of the board and its directors for communication to government for their consideration in the director nomination and election process. The Director Skills Matrix is also used by the Development and Succession Committee, Board Chair and Committees Chairs to support the ongoing education needs of the board.

The board considers diversity and inclusion as a critical component of succession planning efforts, to ensure the WCB Nova Scotia is governed by a diverse and inclusive Board that is representative of the communities and individuals it serves. The WCB board of directors values diversity of backgrounds, characteristics, lived experiences and perspectives to support effective decision making.

Annually, directors complete an anonymous survey as part of its annual Board evaluation process. A question on this anonymous survey requests members to voluntarily disclose details on the following diversity elements: gender, location, visible minority status, sexual orientation, disability status and Indigenous peoples.

Details of the Director Skills and Diversity Matrixes are provided on the following pages.

Part 2: Board Skills Matrix Summary

Directors	WCB System Knowledge	Stakeholder, Government and Public Relations	Governance and Board Experience	Finance and Investment Knowledge	Strategic Planning and Policy	Audit and Risk Management	Technology and Cybersecurity	Innovation , Transformation and Change Management	Human Resources Oversight	Performance Measurement and Monitoring
Director 1										
Director 2										
Director 3										
Director 4										
Director 5										
Director 6										
Director 7										
Director 8										
Director 9										
Director 10										

Skills and Experience Assessment Scale (full description on page 5)

B Basic
 G Good
 A Advanced
 E Expert

Part 3: Skills and Experience Descriptions

Category	Description	Self Rating
WCB System Knowledge	Understanding of the vision, mission, values and strategic goals of the workers' compensation system. Also includes knowledge of the stakeholders that comprise the workers' compensation system and others who provide services in the system.	
Stakeholder, Government and Public Relations	Fosters positive stakeholder relations and communications by maintaining ongoing connection with stakeholder groups, keeping abreast of issues and developments that impact stakeholders and obtaining informal feedback from stakeholders through your linkages in the stakeholder community.	
Governance and Board Experience	Understanding of role in providing effective stewardship and strategic leadership for the organization. Governance-focussed and able to make decisions that are in the best interest of the larger system. Experience with board governance acquired through prior board or committee service.	
Finance and Investment Knowledge	Accounting, investment and/or financial management experience, including analyzing and interpreting financial statements, evaluating organizational budgets and financial reporting.	
Planning and Policy	An ability to think strategically about the opportunities and challenges facing the workers' compensation system, and to engage in collaborative planning and policy development processes.	
Audit and Risk Management	Experience and knowledge of enterprise risk management frameworks and risk management oversight. This may include experience or knowledge of auditing practices, organizational controls, and compliance measures.	
Technology and Cybersecurity	Has technological literacy. Experience with providing oversight of the design and implementation of enterprise-wide information technology systems, cybersecurity strategy and privacy policies.	
Innovation, Transformation and Change Management	Experience and knowledge leading or providing oversight of forward-thinking innovation or transformational change initiatives.	
Human Resources Oversight	Experience and knowledge providing human resource oversight including setting the tone for organizational culture, succession planning, workplace health, safety and wellness, appointment of the CEO, approval and monitoring of CEO compensation levels, monitoring reports on staff programs for health, safety and wellness, and approval of high-level principles for collective bargaining. Understanding of justice, equity, diversity, and inclusion in the context of working with diverse individuals and groups that comprise the workers' compensation system.	
Performance Measurement and Monitoring	Knowledge and experience establishing and monitoring Key Performance Indicators for the organization.	

Skills and Experience Assessment Scale (full description on page 5)

B Basic
 G Good
 A Advanced
 E Expert

Part IV: Skills and Experience Assessment Scale

Description	Assessment Details
Basic	<ul style="list-style-type: none"> • New skill area for director • Has little to no understanding and/or prior experience • New involvement therefore may be challenged to contribute to the discussion • Has received no training and/or informal guidance • Will need training and/or education to begin to contribute to the discussion
Good	<ul style="list-style-type: none"> • Some foundational knowledge and experience of skill area • Demonstrates basic understanding and/or prior exposure • Able to contribute to discussion focused on fundamentals • Has received some training or education • Requires additional development to consistently make a valuable contribution
Advanced	<ul style="list-style-type: none"> • Director has significant skill/knowledge/experience in the area • Demonstrates advanced understanding and/or prior exposure • Actively contributes to discussion with confidence and competence • Comfortable advancing ideas • Makes a strong contribution - opinions are valued and asks key questions
Expert	<ul style="list-style-type: none"> • Directors possesses extensive skill/knowledge/experience • Has achieved expert level of understanding and/or prior experience • Superior contributor; advanced ideas with a high degree of confidence and confidence. • Has received significant formal training and guidance and is able to provide same to colleagues • Consistently makes a value-add contribution; opinions are sought and asks insightful, strategic questions.

Part V: Board Diversity Matrix

Total Number of Directors as of (date): 10				
Gender:	Male	Female	Non-Binary	Did not Disclose Gender
Location:	HRM	Cape Breton	Rural/Other	Did not Disclose Location
Directors who self-identify in one of the categories below:				
Persons with a disability	Number of directors:			
LGBTQ2s+	Number of directors:			
Visible Minority	Number of directors:			
Indigenous people	Number of directors:			
Did not disclose background	Number of directors:			