

## Report of the Lead, Board Relations

### Report on Director Attendance, Compensation, and Expenses

For the period from April 1, 2017 to March 31, 2018

#### Action

For Information only.

#### Executive Summary

The purpose of this report is to provide the annual meeting attendance record of directors and provide an update on Director Compensation and Expense Reimbursement, as required in this Committee's Workplan.

#### Attendance

Attendance at Board meetings is one measure of the commitment and contribution of an individual director to corporate governance at an organization. ATB Financial directors are expected to attend Board meetings and all committee meetings in which they serve. Consistent with Canadian Securities Administrators National Instrument 58-101 *Disclosure of Corporate Governance Practices* and best practices of corporate governance and disclosure in the financial services area, the ATB Financial Board is voluntarily disclosing the attendance record of each director for the fiscal year April 1, 2017 to March 31, 2018.

Attendance at Board and Committee meetings for the fiscal year April 1, 2017 to March 31, 2018 is listed based upon meetings in which minutes were recorded for that fiscal year. Attendance by directors does not disclose participation in other organization events they are requested to attend.

#### Director Attendance Record

Director (Total Number of Meetings)	Board <sup>1</sup> (5)	Audit (4)	Gov (4)	HR (4)	Risk (16)	Special Committee <sup>5</sup> (12)	Attendance Percentage <sup>2</sup>
Brian Hesje (Chair)	5/5	4/4	4/4	4/4	16/16	12/12	100%
James (Jim) Carter	5/5	n/a	n/a	3/4	14/16	12/12	92%
Jim Drinkwater	5/5	4/4	n/a	n/a	16/16	11/11	100%
Wendy Henkelman	5/5	4/4	n/a	4/4	n/a	n/a	100%
Joan Hertz	5/5	n/a	4/4	n/a	14/16	11/11	94%
Barry James	4/5	4/4	n/a	n/a	13/16	11/11	89%
Colette Miller	5/5	4/4	1/1	4/4	n/a	11/11	100%
Manjit Minhas <sup>3</sup>	3/3	n/a	3/3	3/3	n/a	n/a	100%
Mary Ellen Neilson <sup>3</sup>	3/3	n/a	3/3	n/a	11/13	n/a	89%
Robert Pearce	5/5	4/4	n/a	n/a	13/16	n/a	88%
Diane Pettie	5/5	n/a	4/4	4/4	n/a	1/1	100%
Todd Pruden	5/5	n/a	4/4	4/4	n/a	n/a	100%
Clayton Sissons <sup>4</sup>	2/2	1/1	1/1	n/a	n/a	n/a	100%
Shannon Susko <sup>4</sup>	0/1	n/a	0/1	1/1	n/a	n/a	33%

<sup>1</sup> The November and March Board meetings took place on two consecutive days but are each counted as one meeting for the purposes of this report.

- 2 The attendance percentage is calculated based upon the total of all Board and Committee meetings possible for each applicable director for the fiscal year. The Chair of the Board may attend all Committee meetings but his percentage is calculated using Board meetings only.
- 3 Manjit Minhas and Mary Ellen Neilson did not join the Board until June 15, 2017.
- 4 Clayton Sissons and Shannon Susko left the Board on June 15th, 2017.
- 5 Special Committee Chair and Board Chair held an initial Special Committee Meeting with the CEO with no other members.

## Compensation

As a Crown corporation, ATB Financial is required to disclose certain information in accordance with Treasury Board Directive 12/98 as amended, including the compensation paid to the Chairman of the Board and other Board members in the aggregate, as well as salaries and benefits of key executive. That information is made publicly available in ATB Financial's Annual Report.

Remuneration of Board members was set by Order in Council 69/2004 and has not changed since 2004. Annual compensation paid to individual directors who served as directors during fiscal year 2018 is set out below. Compensation includes:

1. Fees for Board meeting attendance;
2. Fees for attendance at the Board Retreat and other Board Business Meetings, the purpose of which is to conduct the business of the Board or advance the business of ATB Financial but for which meetings were not included in the attendance records disclosed above (including ad hoc Selection Committee meetings, orientation and other ATB Financial sponsored events for which directors were requested by the Chair of the Board to attend);
3. Fees for Subsidiary Board meeting attendance;
4. Annual retainers;
5. Chair retainers; and
6. Travel and meeting preparation fees.

Compensation is disclosed for the period April 1, 2017 to March 31, 2018.

## Director Compensation Table

Director Name	Annual Retainer	Board Chair Retainer	ATBIS and Committee Chair Retainer	ATBF Meeting Fees	ATBIS Meeting Fees	Total
Jim Carter <sup>1</sup>	\$15,000		\$6,500	\$24,100	\$5,600	\$51,200
Jim Drinkwater <sup>2</sup>	\$15,000		\$2,500	\$26,800	\$7,000	\$51,300
Wendy Henkelman	\$15,000			\$17,300		\$32,300
Joan Hertz	\$15,000		\$2,000	\$27,600		\$44,600
Brian Hesje <sup>3</sup>	\$15,000	\$15,000		\$33,300	\$7,000	\$70,300
Barry James	\$15,000		\$2,000	\$24,200		\$41,200
Colette Miller	\$15,000		\$2,000	\$22,300		\$39,300
Manjit Minhas <sup>4</sup>	\$15,000			\$9,450		\$24,450

Mary Ellen Neilson <sup>4</sup>	\$15,000	\$14,950	\$5,600	\$35,550
Diane Pettie	\$15,000	\$17,300		\$32,300
Rob Pearce	\$15,000	\$21,800		\$36,800
Todd Pruden	\$15,000	\$15,800		\$30,800
Clayton Sissons <sup>5</sup>	\$3,750	\$3,600	\$1,400	\$8,750
Shannon Susko <sup>5</sup>	\$3,750	\$500		\$4,250
<b>Total</b>				<b>\$503,100</b>

1. Jim Carter received a \$5,000.00 Chair Retainer Honorarium for June 2015 - May 2017 for chairing the ATB Investor Services Board.
2. Jim Drinkwater Chaired the ATB Investor Services Board for one quarter and received a \$500 Chair Retainer Honorarium.
3. Brian Hesje, Chair, attends all Board and Committee Meeting.
4. Manjit Minhas and Mary Ellen Neilson joined the board on June 15th, 2017.
5. Clayton Sissons and Shannon Susko left the Board on June 15th, 2017.

*Total compensation for Fiscal Year 2017 was \$446,100.*

### **Expense Reimbursement**

The [Directors Remuneration Policy and Expense Guideline](#) (Policy) establishes guidelines for the reimbursement of the expenses by the Board and its directors and promote accountability and transparency. Any expenses reimbursed were determined as eligible pursuant to the Policy and were appropriate, reasonable and followed the process established by the Board.