

## PART 3 Corporate governance

CDIC is committed to a strong governance framework. This section of our Annual Report presents information about the CDIC Board of Directors, including its committees and Director attendance, and outlines how CDIC works to meet public service expectations in the area of good governance.

### Board of Directors

CDIC's affairs are administered by its Board, made up of a Chairperson, five other private sector Directors and five *ex officio* Directors (the Governor of the Bank of Canada, the Deputy Minister of Finance, the Commissioner of the Financial Consumer Agency of Canada (FCAC), the Superintendent of Financial Institutions, and a Deputy Superintendent of Financial Institutions or another officer of the Office of the Superintendent of Financial Institutions (OSFI) as appointed by the Minister of Finance).

CDIC's Board of Directors oversees the strategic direction of the Corporation and ensures that significant business risks are identified and well-managed. The Board's commitment to effective stewardship and its overall mandate are outlined in its charter. An overview of the composition of CDIC's Board of Directors and of its supporting committees follows.

#### More about governance

For additional information on how CDIC is governed, including information about Board and Committee charters and Directors, please visit our website at [www.cdic.ca](http://www.cdic.ca).

## Board of Directors composition

as at March 31, 2021



**Robert O. Sanderson**

Chair

Joined: June 2016

*Re-appointed as Chair commencing on December 14, 2020, and expiring on June 30, 2022*

### Private sector Directors



**J. Martin Castonguay**

Chartered Professional Accountant

Montréal, Québec

Joined: May 2019

*Appointed for a four-year term expiring on May 20, 2023*



**Linda Caty**

Lawyer

Carignan, Québec

Joined: June 2018

*Appointed for a two-year term expiring on June 20, 2020; re-appointed June 21, 2020, for a four-year term expiring on June 20, 2024*



**David Dominy**

Business Executive

Edmonton, Alberta

Joined: June 2018

*Appointed for a four-year term expiring on June 20, 2022*



**Andrew Kriegler**

Financial Executive

Toronto, Ontario

Joined: September 2018

*Appointed for a four-year term expiring on September 6, 2022*



**Wendy Millar**

Financial Executive

Oakville, Ontario

Joined: June 2018

*Appointed for a four-year term expiring on June 20, 2022*

### Ex officio Directors



**Tiff Macklem**

Governor

Bank of Canada

Joined: June 2020

*Appointed for a seven-year term*



**Michael Sabia**

Deputy Minister

Department of Finance

Joined: December 2020

*Appointed to hold office during pleasure*



**Judith Robertson**

Commissioner

Financial Consumer Agency of Canada

Joined: August 2019

*Appointed for a five-year term*



**Jeremy Rudin**

Superintendent of

Financial Institutions

Office of the Superintendent of Financial Institutions

Joined: June 2014

*Appointed for a seven-year term*



**Jamey Hubbs**

Assistant Superintendent

Deposit-taking Supervision Sector

Office of the Superintendent of Financial Institutions

Joined: April 2015

*Appointed pursuant to s. 5(1)(b.1) of the CDIC Act*

### Alternates (for ex officio Directors)



**Paul Beaudry**

Deputy Governor

Bank of Canada

*Designated Alternate:*

*February 2019*



**Leah Anderson**

Assistant Deputy Minister

Financial Sector Policy Branch

Department of Finance

*Designated Alternate:*

*December 2016*

## Board committees

Three standing committees support the Board in its activities: the Audit Committee, the Governance and Human Resources Committee, and the Risk Committee.

### Audit Committee

The Audit Committee assists with the Board's oversight of the integrity of CDIC's financial statements; the financial reporting process; the systems of internal accounting and financial controls; the performance of CDIC's internal audit function; and the performance of any special examinations pursuant to the *Financial Administration Act*.

#### Composition

- **A. Kriegler (Chair)**—Member since September 2018; Chair since April 2019
- **J.M. Castonguay**—Member since June 2019
- **D. Dominy**—Member since August 2018
- **J. Robertson**—Member since September 2019

### Governance and Human Resources Committee

The Governance and Human Resources Committee assists with the Board's oversight of corporate governance issues, ensuring that appropriate processes, structures and information necessary for effective direction are in place to contribute to the success of CDIC. The Committee also assists with succession planning for the Board Chairperson, non-*ex officio* Directors, the President and CEO and senior Officers; the review and recommendation of annual objectives for, and the performance and annual evaluation of, the President and CEO; and key human resources and compensation policies, processes and strategies, including those relating to employee business conduct and ethical behaviour.

#### Composition

- **D. Dominy (Chair)**—Member and Chair since March 2019
- **J.M. Castonguay**—Member since September 2019
- **L. Caty**—Member since March 2019
- **W. Millar**—Member since March 2019
- **J. Rudin**—Member since March 2019
- **R.O. Sanderson**—Member since March 2019

## Risk Committee

The Risk Committee assists with the Board's oversight of CDIC's Enterprise Risk Management Framework as well as CDIC's identification, assessment, management and recording of key risks, including strategic, preparedness, operational, financial, organizational and reputational risks, which could impact CDIC's ability to carry out its mandate.

### **Composition\***

- **W. Millar (Chair)**—Member and Chair since March 2019
- **L. Caty**—Member since March 2019
- **J. Hubbs**—Member since March 2019
- **A. Kriegler**—Member since March 2019
- **T. Macklem**—Member since July 2020
- S. Poloz—Member since March 2019

\*Names in bold denote current committee members as at March 31, 2021. Mr. Poloz ceased to be a member of the Risk Committee effective June 2, 2020.

## Board and committee meetings and attendance

(April 1, 2020 to March 31, 2021)

Board members' attendance at the Board meetings and the Board committee meetings in respect of which they are members is summarized below.

	Board committees			
	Board of Directors <sup>b</sup>	Audit Committee <sup>c</sup>	Governance and Human Resources Committee	Risk Committee
<b>Number of meetings<sup>a</sup></b>	7	5	4	4
<b>Attendance</b>				
<b>Private sector Directors</b>				
R.O. Sanderson—Chair	7	5	4	4
J.M. Castonguay	7	5	4	N/A
L. Caty	7	N/A	4	4
D. Dominy	7	5	4	N/A
A. Kriegler	7	5	N/A	4
W. Millar	7	N/A	4	4
<b>Ex officio Directors (Alternates)</b>				
Bank of Canada: T. Macklem (TM), <sup>d</sup> S. Poloz (SP) <sup>e</sup> (P. Beaudry (PB))	1 (SP); 7 (PB); 5 (TM)	N/A	N/A	1 (SP); 3 (TM)
Department of Finance: M. Sabia <sup>f</sup> (L. Anderson (LA))	7 (LA)	N/A	N/A	N/A
Financial Consumer Agency of Canada: J. Robertson	6	4	N/A	N/A
Superintendent of Financial Institutions: J. Rudin	5	N/A	4	N/A
Office of the Superintendent of Financial Institutions—Second Director: J. Hubbs	7	N/A	N/A	4
<b>Directors who departed during the year</b>				
S. Poloz (SP) <sup>e</sup>	1			
P. Rochon <sup>g</sup>	0			

<sup>a</sup> Includes virtual meetings conducted via online platform.

<sup>b</sup> Includes Board Tabletop Simulation Sessions in May 2020 and October 2020; and Board Strategic Planning Session in August 2020.

<sup>c</sup> The Chair is invited to Audit Committee and Risk Committee meetings as an observer but is not a Committee member.

<sup>d</sup> Term as Governor of the Bank of Canada and *ex officio* Board member began June 3, 2020.

<sup>e</sup> Term as Governor of the Bank of Canada and *ex officio* Board member ended effective June 2, 2020.

<sup>f</sup> Term as Deputy Minister of Finance and *ex officio* Board member began December 14, 2020.

<sup>g</sup> Term as Deputy Minister of Finance and *ex officio* Board member ended effective December 14, 2020.

## Professional background of Board members—Expertise and experience

Board member	Education/ Designations	Accounting	Comms	Crisis	Financial services	Governance/ Leadership	IT/ Fintech	Law	M&A/ Insolvency	Regulatory	Risk management	Talent management	Other
<b>Sanderson, Robert</b> Chair, CDIC	BA, FCPA, FCA, FIC, FCIRP (ret)	✓		✓	✓	✓			✓	✓	✓	✓	
<b>Castonguay, J. Martin</b> Director	BSc, BComm, CPA, ICD.D	✓		✓	✓	✓			✓	✓	✓	✓	
<b>Caty, Linda</b> Director	LLB		✓	✓	✓	✓		✓		✓	✓	✓	
<b>Dominy, David</b> CEO, Firma Foreign Exchange Corp.	BA, MoM, ICD.D	✓		✓	✓	✓	✓		✓	✓	✓	✓	
<b>Hubbs, Jamey</b> Assistant Superintendent, OSFI	BA, M.Cert, PM, ICD.D			✓	✓	✓				✓	✓	✓	
<b>Kriegler, Andrew</b> President and CEO, IIROC	BSc, MBA	✓		✓	✓	✓				✓	✓	✓	
<b>Macklem, Tiff</b> Governor, Bank of Canada	BA, MA, PhD		✓	✓	✓	✓				✓	✓	✓	
<b>Millar, Wendy</b> Director	BA, MA, ICD.D	✓		✓	✓	✓	✓		✓	✓	✓	✓	
<b>Robertson, Judith</b> Commissioner, FCAC	BA, MBA, CFA	✓			✓	✓	✓			✓	✓	✓	
<b>Rudin, Jeremy</b> Superintendent, OSFI	BA, MCRP, PhD		✓	✓	✓	✓				✓	✓	✓	Policy
<b>Sabia, Michael</b> Deputy Minister, Department of Finance	BA, M. Phil.	✓	✓	✓	✓	✓			✓	✓	✓	✓	

## Directors' fees

In 2020/2021, private sector Directors' fees for the performance of their services totalled \$208,120 (compared to \$245,663 in 2019/2020).

2020/2021—Fees for private sector Directors	
R.O. Sanderson	\$ 113,500
J.M. Castonguay	\$ 20,520
L. Caty	\$ 19,260
D. Dominy	\$ 15,480
A. Kriegler	\$ 16,320
W. Millar	\$ 23,040
<b>Total</b>	<b>\$208,120</b>

## Corporate Officers

as at March 31, 2021

CDIC's Governance Council is comprised of its President and Chief Executive Officer (CEO), along with seven Corporate Officers. The President and CEO is appointed by the Governor in Council, which also approves compensation for this position. CEO performance objectives are set and evaluated annually by the Board of Directors and submitted to the Minister of Finance. Corporate Officers are appointed by the Board of Directors. The Board also approves the salary range for these individuals.

CDIC's Corporate Officers are:

**Peter D. Routledge**

President and Chief Executive Officer

**Chantal M. Richer**

Chief Operating Officer

**Angela Roberge**

Chief Human Resources Officer & Chief of Staff

**Gina Byrne**

Chief Member Risk and Resolution Officer

**Michael Mercer**

Chief Data and Insurance Officer

**Tara Newman**

Head, Corporate Strategy and Risk Management & Chief Risk Officer

**Camille Ringrose**

Head, Finance and Operations & Chief Financial Officer

**Christa Walker**

General Counsel and Corporate Secretary & Chief Legal Officer

## Corporate Officer compensation

### 2020/2021 compensation range disclosure for Corporate Officers, as at March 31, 2021

Cash compensation <sup>2,3</sup>	President and CEO	Category 1 Officers	Category 2 Officers
Base salary range	\$ 271,000–\$ 318,800	\$ 202,891–\$ 297,558*	\$ 167,869–\$ 246,226*
Incentive program range	6.5%–26%	0%–25%	0%–18%
Total compensation range per fiscal year	\$ 288,615–\$ 401,688	\$ 202,891–\$ 371,947	\$ 167,869–\$ 290,547

\* Inclusive of premium rate opportunity for critical skills to up to 110% of the range.

### Perquisites program

Item	President and CEO	Category 1 Officers
Car allowance expense reimbursement <sup>4</sup>	\$12,000	—
Health care spending account and financial planning services expense reimbursement <sup>3</sup>	\$12,000	\$10,000
Comprehensive medical exams	\$ 3,432	\$ 3,432
Total	\$ 27,432	\$ 13,432

**N.B.** In its Special Examination 2020 report, the Office of the Auditor General found “that the compensation range for the President and Chief Executive Officer was lower than the compensation ranges for the Corporation’s other executives.” In its response, the Corporation said it would “continue to engage with its responsible Minister and the Privy Council Office to review the total compensation structure of the President and Chief Executive Officer position in light of the expansion of the Corporation’s mandate, legislative framework, and powers.” At time of publication, the Corporation continues to do so.

## Treasury Board directive on travel, hospitality, conference and event expenditures

### Disclosure of expenditures for travel, hospitality and conferences

Since 2010, CDIC has proactively disclosed on its website the travel and hospitality expenses for its senior executives, and the details are available within 30 days after the month of the reimbursement.

Since the first quarter of 2017/2018, CDIC has also published the travel and hospitality expenses for the Chair of the Board of Directors and the private sector Directors.

<sup>2</sup> The cash compensation does not report the actual salary and incentives paid to Officers but rather the range for their respective positions.

<sup>3</sup> As at March 31, 2021, Category 1 Officer roles included: Chief Operating Officer; Chief Human Resources Officer & Chief of Staff; Chief Member Risk and Resolution Officer; and Chief Data and Insurance Officer. Category 2 Officer roles included: Head, Corporate Strategy and Risk Management & Chief Risk Officer; Head, Finance and Operations & Chief Financial Officer; and General Counsel and Corporate Secretary & Chief Legal Officer.

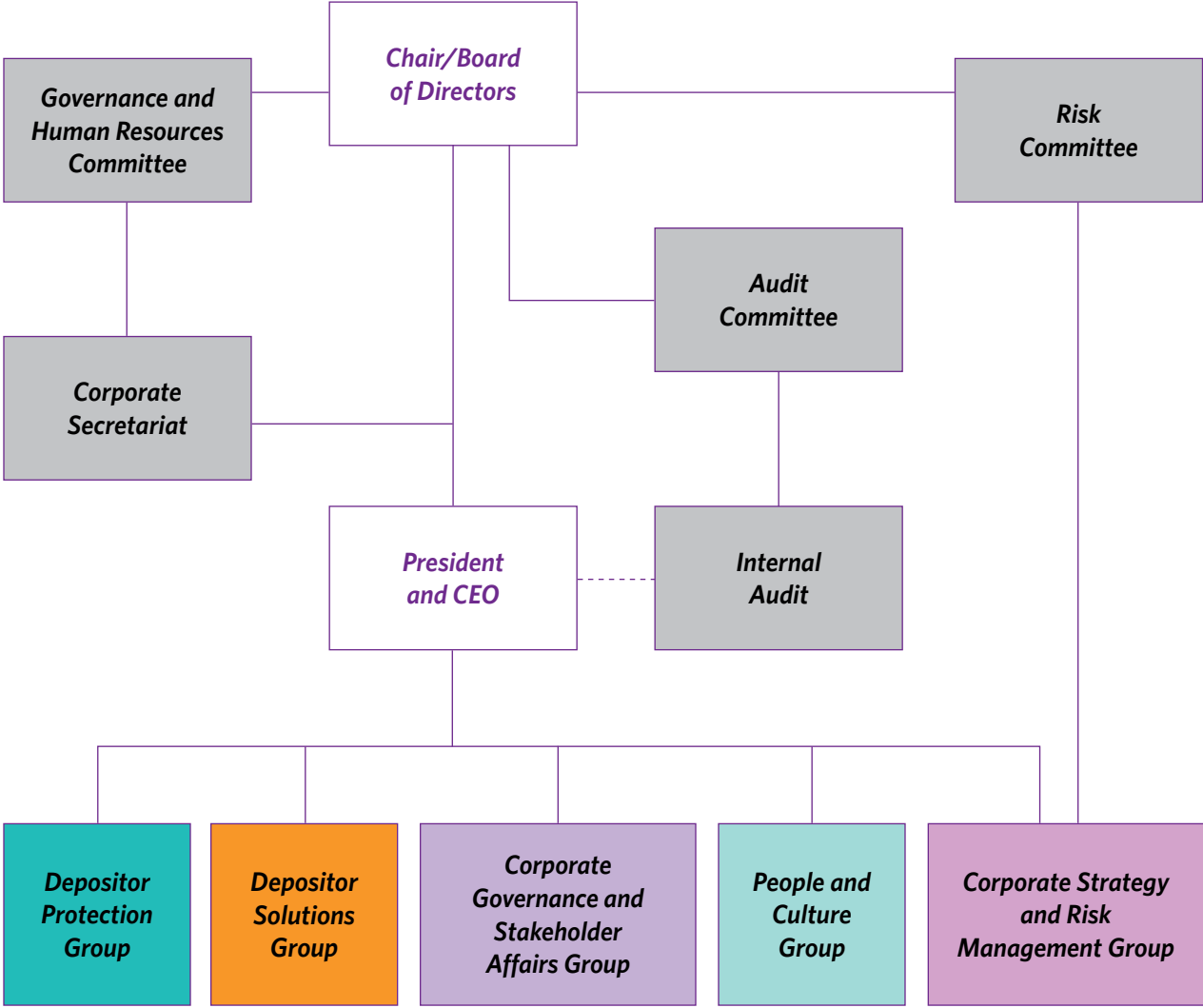
<sup>4</sup> These amounts represent the maximum allowance if receipts are submitted.



Commencing with the 2016/2017 fiscal year, the Corporation has disclosed the total annual expenditures for each of travel, hospitality and conference fees for the Corporation. The Corporation reviews its disclosures on a regular basis and makes changes when warranted.

These disclosures can be viewed on our website at [www.cdic.ca](http://www.cdic.ca).

### CDIC's organizational structure



----- Denotes administrative reporting relationship

## Addressing public service expectations

### ***Ethical behaviour and integrity***

To earn the trust of Canadians, CDIC must ensure that the fundamental principles of ethics and integrity permeate all activities of the Corporation. Adherence to our codes and ethics-related policies is a condition of employment, as is adherence to the *Values and Ethics Code for the Public Sector*, which is fully integrated into CDIC policies. Directors and employees must confirm compliance with their respective codes annually. Compliance with the codes and other ethics-related corporate practices is reported to the Audit Committee and to the Governance and Human Resources Committee.

### ***Ethics training***

CDIC undertakes annual mandatory employee ethics training with required attestations. Corporate-wide ethics training and attestation for fiscal 2020/2021 was completed in April 2021.

### ***Diversity, inclusivity and harassment in the workplace***

A fundamental tenet of CDIC's culture framework is a commitment to diversity, equity and inclusion. In serving Canadians, we must reflect Canada's diversity and allow our employees to bring their true and best selves to work. Central to our commitment is awareness training, ensuring that our programs and policies are barrier-free and encouraging employee participation and dialogue on issues that matter. In 2020/2021, initiatives included:

- Annual mandatory ethics training that incorporates psychological safety and harassment training
- Enhanced relationships with organizations that support/target Indigenous communities, visible minorities and persons with disabilities, including various student associations for CDIC's student program
- A redesigned external career website that highlights diversity and showcases CDIC employees
- Expansion of awareness training related to Indigenous Peoples, Ableism, Black History and LGBTQ+, with special townhall events to reinforce the learning
- A virtual Employee Summit focused on mental health, inclusion and resiliency
- Official Languages Reward and Recognition Program and week-long programming on la Francophonie
- An employee-led, online diversity festival showcasing CDIC's United Way programming

In 2021/2022 CDIC intends to continue its emphasis on diversity and inclusivity with the establishment of an Inclusion Advisory Group of CDIC employees.

***Annual Public Meeting***

CDIC held its most recent Annual Public Meeting (APM) on August 11, 2020, via live webcast and in both official languages. Discussions centred around how deposit insurance protects Canadians' savings, the recent coverage changes as of April 30, 2020, and how CDIC is reaching out to Canadians to promote financial stability. The APM is an opportunity for CDIC to provide information to stakeholders and the public on its services and mandate, as well as to answer any questions from members of the public in attendance, online or via social media. CDIC will hold its next APM in the fall of 2021 in compliance with the *Financial Administration Act*.