

# ATLANTIC LOTTERY F2018-19 BOARD OF DIRECTORS COMPENSATION REPORTING

## PURPOSE

Given the Atlantic Lottery Corporation's (ALC) commitment to transparency, as well as that of its shareholders, the four provincial governments, the corporation is publishing this report. This report discloses the compensation earned by its independent Board Chair and Directors for the fiscal year (FY) ending March 31, 2019. It also includes the Board of Directors' remuneration policy and governance.

## BOARD COMPOSITION

At full complement, the ALC Board of Directors consists of twelve Directors (eight independent and four non-independent) in addition to the independent Board Chair. Board members are appointed by the four shareholders. Each shareholder may appoint two independent Directors\*\* and one non-independent Director. The Board of Directors appoints the independent Chair.

\*\* *An independent Director is not a public servant, employee or elected official in the shareholder province that appointed the Director.*

## INDEPENDENT DIRECTOR REMUNERATION

Independent Directors receive remunerations in accordance with the Board of Directors' Remuneration Policy. Non-independent Directors do not receive remuneration.

All Directors are reimbursed for travel and other expenses incurred for attending Board meetings or performing other duties for the Board, according to ALC's Travel and Expense Standard.

### [Travel and Expenses Standard](#)

#### **Director Remuneration:**

##### ***Independent Chair of the Board***

- \$15,000 annual retainer
- \$500 fee for each of the following functions: (i) chairing a Board or Board Committee meeting; (ii) preparation for a meeting and (iii) attending a Board or Committee meeting.
- \$250 for conference calls.

##### ***Independent Committee Chairs***

- \$500 director's fee each day while conducting AL Business;
- \$500 for attending a Board or Committee meeting;
- \$500 for preparation for a Board or Committee meeting;
- \$500 for chairing a Board or Committee meeting;
- \$250 for conference calls.

### ***Independent Directors***

- \$500 director's fee each day while conducting AL Business;
- \$500 for attending a Board or Committee meeting;
- \$500 for preparation for a Board or Committee meeting;
- \$500 for attendance at business function whereby the primary purpose and role of the Director is for business purposes;
- \$250 for conference calls.

### ***Non-Independent Directors***

- No remuneration is paid to non-independent Directors.

### **Director's Fee:**

The Board Chair and Directors' fees are cumulatively adjusted yearly based on the national CPI. The fees represent the remuneration independent Directors will receive for each day while conducting AL business.

Directors are considered to be conducting AL business when:

- attending a Board of Directors meeting;
- attending a Board Committee meeting;
- participating on an AL conference call;
- preparing in advance for a Board of Directors, Board Committee meeting or conference call; and
- attending other meetings, business functions or events in an official capacity as a representative of AL, whereby the primary purpose of the event and role of the Director is for business purposes.

Directors Fees are not paid for a Director's travel time for ALC Business, unless otherwise approved by the Board Chair as an exception.

### **Travel Expenses:**

All travel and other expenses incurred by the Board of Directors during the conduct of AL business will be subject to the terms of the AL Travel and Expense Policy and Standard.

## **REMUNERATION GOVERNANCE**

The Governance Committee implements and oversees Board and Committee assessment processes, makes recommendations regarding Board effectiveness, establishes and leads the process for developing Director criteria and making recommendations to Shareholders related to candidates for appointment to the Board, and provides oversight and tools for ongoing director development and performance evaluation. The Governance Committee reviews and recommends for Board approval, the compensation of independent Directors for service on the Board, its Committees and other ALC business. This is determined through a remuneration market scan of regional Crown corporations, other Canadian lottery Boards and best practices in Board remuneration. The Committee also provides expert support as required to the Board Chair who is primarily responsible and accountable for ensuring that the Board and Committees apply sound governance principles and practices in their operations.

## F2018-19 TOTAL OF REMUNERATION AND EXPENSES OF AL'S BOARD CHAIR AND DIRECTORS

Includes remuneration and expenses for: Board and Committee meetings, Shareholder meetings, Interprovincial Lottery Corporation meetings, conferences, training & development and other AL business meetings.

Name	Role	Province	Remuneration	Expenses & others*	Total
Sean O'Connor,	Board Chair	N/A	\$ 71,311.25	\$ 18,700.16	\$ 90,011.41
Alyson Townsend	Independent Director	NB	\$ 16,865.00	\$ 3,361.64	\$ 20,226.64
Nicole Picot	Non-Independent Director	NB	-	\$ 1,006.00	\$ 1,006.00
Jean Brousseau	Independent Director	NB	\$ 24,788.00	\$ 2,266.00	\$ 27,054.00
Janis Byrne	Independent Director	NL	\$ 16,309.00	\$ 4,171.00	\$ 20,480.00
Craig Martin	Non-Independent Director	NL	-	\$ 2,123.00	\$ 2,123.00
Paula MacDonald	Independent Director	NL	\$ 14,053.00	\$ 5,641.00	\$ 19,694.00
Jay Griffin	Non-Independent Director	NL	-	\$ 2,256.00	\$ 2,256.00
Bob MacKinnon	Non-Independent Director	NS	-	\$ 5,852.00	\$ 5,852.00
Les Barker	Independent Director	NS	\$ 13,032.00	\$ 4,144.00	\$ 17,176.00
Ian Cavanagh	Independent Director	NS	\$ 23,762.00	\$ 6,610.44	\$ 30,372.44
Patricia Mella	Independent Director	PE	\$ 16,353.00	\$ 3,484.00	\$ 19,837.00
Dan Campbell	Non-Independent Director	PE	-	\$ 7,136.00	\$ 7,136.00

\* Note: Others include expenses related to training & development (e.g. conferences, seminars, courses, etc.).