

ATLANTIC LOTTERY F2020-21 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, 2021.

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

Independent Directors, Independent Committee Chairs, & Independent Chair of the Board

- \$1,500 for chairing, preparing, and attending a Board or Committee meeting;
- \$1,000 for preparing and attending a Board or Committee meeting;
- \$500 for attending other meetings (apart from Board and Committee meetings), when duration of the meeting is greater than two (2) and a half hours;
- \$500 each day when asked to conduct ALC business or to attend business functions (including a business conference or meeting) whereby the primary purpose and role of the Director is to represent the organization;
- \$250 for attending other meetings (apart from Board and Committee meetings) when the duration of the meeting is equal or less than two (2) and a half hours.

Director's Fee:

The Board Chair and Directors' fees are cumulatively adjusted yearly based on the national CPI. On June 10, 2020, the Board deemed the Annual CPI Adjustment for the Directors fees to be 0% for the fiscal year (F2020-21) considering the pandemic crisis and its economic impacts. The CPI adjustment for the Chair of the Board followed the same directive.

The fees represent the remuneration that independent directors will receive for each day while conducting ALC business. Directors are considered to be conducting ALC business when:

- attending a Board or Committee meeting in person, via WebEx, or by phone;
- 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 ALC, 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 ALC business will be subject to the terms of the ALC 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.

F2020-21 TOTAL OF REMUNERATION AND EXPENSES OF ALC'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 ALC business meetings.

Name	Role	Province	Remuneration	Expenses & others*	Total
Sean O'Connor,	Board Chair	N/A	\$ 74,819	\$ 5,296	\$ 80,115
Alyson Townsend	Independent Director	NB	\$ 5,993	\$ -	\$ 5,993
Cheryl Hansen	Non-Independent Director	NB		\$ -	\$ -
Ian Hollohan	Non-Independent Director	NB		\$ 2,047	\$ 2,047
Jane Mitton-MacLean	Independent Director	NB	\$ 17,197	\$ -	\$ 17,197
John Mallory	Independent Director	NB	\$ 15,110	\$ 1,884	\$ 16,994
Janis Byrne	Independent Director	NL	\$ 23,190	\$ 933	\$ 24,123
Doug Trask	Non-Independent Director	NL		\$ 1,505	\$ 1,505
Bob MacKinnon	Non-Independent Director	NS		\$ 1,808	\$ 1,808
Les Barker	Independent Director	NS	\$ 13,547	\$ 474	\$ 14,021
Ian Cavanagh	Independent Director	NS	\$ 19,800	\$ 2,410	\$ 22,210
Gordon MacFarlane	Independent Director	PE	\$ 19,800	\$ 12,067	\$ 31,867
Patricia Mella	Independent Director	PE	\$ 3,387	\$ -	\$ 3,387
Shaun MacIsaac	Independent Director	PE	\$ 12,505	\$ 1,330	\$ 13,835
Dan Campbell	Non-Independent Director	PE		\$ 1,176	\$ 1,176

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