

Credit Union Deposit Guarantee Corporation

RECRUITMENT AND APPOINTMENT PROCESS BOARD OF DIRECTORS

I. Introduction

The Directors of the Credit Union Deposit Guarantee Corporation (Corporation) are appointed by the Lieutenant Governor in Council pursuant to section 8(1) of the Credit Union Act and collectively constitute the Board. The Chair and the Vice Chair of the Board are appointed by the Minister pursuant to section 141(2) of the Act.

The Board is comprised of individuals with financial acumen, industry experience, and professional qualifications to ensure breadth of knowledge, independence and a diversity of perspective and experience.

The recruitment and appointment process reflects the commitment to the Corporation's values and provides a framework to guide the transparent and competence-based processes. Within this approach, every effort will be made to encourage diversity and ensure the best people are appointed to serve as the Corporation's directors.

To demonstrate commitment to transparency and accountability, this recruitment and appointment process is available to the public on the Corporation's website.

II. Guiding Principles

The following principles will form the basis of the Corporation's director recruitment and appointment process:

- a. Competency – Selection is based on the skill sets that have been identified in the Competency Matrix so the directors who, together, have the competencies to implement good governance practices and meet the Corporation's mandate.
- b. Engagement – The Board is actively involved in the recruitment and appointment process along with the Department of Finance and Enterprise.
- c. Transparency and Openness – The recruitment and appointment process is clear, publicly available and communicated to stakeholders. Individual openings for positions are publicly advertised, and reasonable steps are taken to reach a large number of diverse and eligible candidates. Appointments are publicly posted.
- d. Consistency - The recruitment and appointment process is applied consistently for all directors appointed by the Minister of Finance and Enterprise.

- e. Timeliness – Appointments are made and announced in a timely manner.
- f. Diversity - The recruitment and appointment process recognizes the importance of diversity, and will promote the value of board membership, increase public awareness of opportunities and recruit candidates from across the province.

III. Key Elements

The following are key elements in the Corporation's recruitment and appointment process for the Board of Directors:

- a. Identify the Need for an Appointment – As much as possible, vacancies should be anticipated to allow proactive recruitment and appointment to be completed in a timely manner. New candidates for Board nomination are also identified through the annual review of the Board Succession Plan. Alberta Finance and Enterprise will initiate the director recruitment and appointment process.
- b. Recruit for the Required Skills – The Board and the Department of Finance and Enterprise will identify a competency matrix for the Board as a whole and an inventory of the values and competencies of individual members. Values include respect, integrity, excellence and accountability. Competencies will include strong listening and communication skills, skills in developing consensus and an understanding of wise stewardship of resources. The matrix will also identify how each individual director contributes to meeting these needs.

When a vacancy occurs, the Board will identify the competencies that need to be replaced and will provide that profile to the individual/team responsible for leading the recruitment process.

When a vacancy for a director is confirmed, the opening will be publicly posted, citing the required competencies along with any other requirements. Postings may be done in many different ways, including advertisements, posting on the Corporation's website, Credit Union Central Alberta Limited website, and/or the Government of Alberta website. This public posting will be the responsibility of the Department of Finance and Enterprise.

- c. Review Applications – Applications will be reviewed by the Department of Finance and Enterprise. The interview panel will consist of representatives from the Board, the Department and an independent third party.

Candidates will be assessed on the basis of the applicable competencies and values identified by the Board and approved by the Minister of Finance and Enterprise.

- d. Recommendation to the Minister – The review and interview process will lead to submitting a recommendation to the Minister on the best candidates. The Minister will recommend a replacement to the Board to the Lieutenant-

Governor-in-Council from the short list provided through a Recommendation for Order in Council (OC).

The results of the recruitment process will be posted publicly on the the Corporation's website.

As two individuals appointed to the Board are nominated by the Credit Union Central Alberta Limited (Central), Central will be given a copy of the competency matrix for the Corporation's Board. These nominees will be subject to the same conflict of interest and other screening process before the list is submitted to the Minister.

Appointment is for a fixed term of up to three (3) years, with the potential for reappointment, based on satisfactory performance, to a maximum of ten (10) years of continuous service.

IV. Pre-appointment Conflict Screening

Conflict of interest and other screening shall be completed before a list of suitable candidates is prepared for submission to the Minister. Individuals must review and agree to abide by the Corporation's Code of Conduct and Ethics for Directors.

The Board recognizes that the ultimate responsibility for developing and posting job profiles, and making Board appointments rests with the Government of Alberta.