



saving . borrowing . investing . sharing

Board of Directors
Candidate Guide

2020



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About Libro

Libro credit union has been around for more than 75 years. In that time, a total of 43 different organizations, all with rich histories, have combined to make Libro. We're proud to be part of communities across southwestern Ontario. Helping you achieve your goals, supporting businesses to create a thriving local economy and contributing to strong and prosperous communities.

Be Libro is why we exist. At the heart of who we are is the social aim of growing prosperity, for our Owners, communities, and staff. It means we're focused on growing prosperity in southwestern Ontario, investing 100% of profits back into the people, businesses, and communities we serve. It means we think differently about how we conduct our business, making decisions that have a positive impact on our Owners, our communities, and our staff. We have a purpose far beyond profit.



Be Libro

WHY

To **grow prosperity** in southwestern Ontario by transforming banking.

HOW

Be epic humans
Be passionately accountable
Be bold explorers
Be mutually inclusive

WHAT

Inspiring financial happiness
Joyful in our work

Libro Board of Directors

Libro is governed by an elected eleven member Board of Directors, each serving three-year staggered terms.

The Board of Directors at Libro ensures our Owners continue to be placed first in all that we do by creating a long-term sustainable plan, maintaining effective risk oversight, supporting world-class governance and engaging leadership to lead dedicated staff teams. The Board's mandate includes the overall responsibility and authority for the strategic direction of the credit union including leadership, stewardship, corporate governance, and monitoring performance.

In other words, the Board is in charge of making sure we're headed in the best direction for our Owners, that we have a solid plan for getting there, adherence to the rules and a positive outlook.

Important Dates

Advance Nomination Period	January 1 – February 29, 2020
Elections at Annual General Meeting	Saturday, April 4, 2020

The Annual General Meeting (AGM) will be held in London on Saturday, April 4, 2020 at RBC Place (formerly known as the London Convention Centre). Owner Representatives, elected by the Owners of each governance region, carry the voting rights of the ownership to the AGM. Director elections will be conducted and results announced at the AGM.

2020 Director Positions

There are four positions open for election, each for a three-year term of office.

Eligibility Criteria

To qualify to serve as a Libro director you must meet the requirements of the *Ontario Credit Unions and Caisses Populaires Act*, Libro Bylaws and policies including:

- be at least 18 years of age;
- be a Canadian citizen or have permanent residency in Canada;
- have been an owner in good standing for at least one year
- maintain a significant share of wallet, by using Libro products and services;
- not be an employee of the credit union within 24 months of the opening of the advance nomination period (January 1);
- not be a member of the immediate family of an individual employed with or an Owner Representative or Director serving the credit union;
- not be an employee, director or agent of an organization in competitive business to the credit union or another credit union;
- not be involved in a legal proceeding against the credit union.

Director Competencies

The Board of Directors has a responsibility to protect, enhance and monitor the operations and assets of Libro. Directors act in good faith and with the care, diligence, and skill of a prudent person in the best interests of Libro. The Board of Directors is a key leadership team at Libro. It is important that the board has the right people, with the appropriate skills, knowledge, experience, and attributes, for the success of Libro.

Skills and Attributes

Libro is committed to building an inclusive environment that welcomes and values diversity. Differences, including gender, geography, cultural, educational background, skill, and professional experiences are essential to promote best governance. The Board of Directors has established a base of desired skills and attributes. The Board uses individual, peer, and team assessments to identify its existing skills but also those skills it wishes to build or strengthen.

Libro seeks to build and maintain a diverse Board comprised of leaders with a variety of skills and attributes. We recognize that not all directors will have the skills and attributes set out below at the beginning of their tenure on the Board. Libro seeks candidates with a commitment and aptitude to acquire the skills and attributes to make them effective.

Culture and Strategic Focus	<ul style="list-style-type: none"> • Understands principles and interest based discussion, leadership and decision making • Operates effectively as part of a highly functional team • Committed to continuous improvement and development • Possesses strategic vision and a commitment to work at the strategic level
Leadership	<ul style="list-style-type: none"> • Influences discussions while building consensual solutions • Includes all participants in deliberations and discussions • Approaches decisions and initiatives from a strategic perspective
Relationship Builder	<ul style="list-style-type: none"> • Builds strong relationships • Takes a collaborative approach to decision making while maintaining sufficient independence
Commitment to Libro and Stakeholders	<ul style="list-style-type: none"> • Sufficient time availability and flexibility to participate in board, committee, and other leadership duties • Strong understanding of Libro’s operations, financial services landscape, and the southwestern Ontario region
Communication	<ul style="list-style-type: none"> • Effective facilitator and consensus builder who challenges and shares knowledge through respectful candour • Powerful communicator who uses positive speech and active listening

Business Acumen	<ul style="list-style-type: none"> • Demonstrated understanding of fiduciary duty • Experience and ability to understand and analyze financial statements and management reports • Understanding of regulatory framework
Audit and Compliance	<ul style="list-style-type: none"> • Understands the risks faced by Libro and the ways management addresses and mitigates those risks • Ensures the financial statements accurately reflect the activities of Libro • Effectively assesses the activities of the internal and external auditor
Credit Union Operations	<ul style="list-style-type: none"> • Understands the co-operative business model and the credit union industry • Understands the environment in which Libro operates • Understands Libro’s infrastructures and how they enable delivery of services
Board and CEO Performance	<ul style="list-style-type: none"> • Understands the tools and methodologies used in assessing the Board • Understands the tools and methodologies used in monitoring the performance and development of the CEO
Financial Literacy	<ul style="list-style-type: none"> • Understands and interprets financial reports and statements, accounting standards, and assumptions • Understands the board’s role in developing the annual business plan and budget
Governance and Ethics	<ul style="list-style-type: none"> • Understands and contributes to strategic plans, policies, and governance processes • Provides oversight of strategic initiatives and risk management activities • Promotes transparent and robust disclosure
Regulatory Environment	<ul style="list-style-type: none"> • Understands the regulations governing the credit union including the Act and Regulations, Articles and Bylaws • Understands the unique governance structure of Libro • Knowledge of the business powers, lending and investment restrictions of Libro • Knowledge of business regulations outside of the credit union industry
Risk Management Oversight	<ul style="list-style-type: none"> • Understands how the Enterprise Risk Management (ERM) Framework documents the identification, measurement, and management of significant risks to Libro • Seeks assurances from management and internal and external auditors that controls are in place to ensure enterprise wide risk stays within established risk thresholds

Strategic Planning

- Understands Libro’s strategic planning process
- Contributes to the development of strategic direction, core values, and strategic goals and objectives

For the 2020 elections, the Board of Directors is seeking candidates who connect strongly with the values and culture of Libro, who will enhance diversity of the board, and those with experience in one or more of the following areas:

- **Digital strategy,**
- **Innovation,**
- **Entrepreneurship,**
- **Risk management oversight particularly technology risk,**
- **Industry experience in agriculture or wealth management.**

Learning and Development

Libro believes in continuous learning and development. It is a journey that inspires personal growth by transforming potential into accomplishments. Following election, new directors are provided with an orientation program and are eligible for learning and development opportunities such as courses, webinars, and conferences.

Libro maintains a director development policy outlining a development path for directors which includes both required and elective opportunities.

Commitments and Expectations

Time Commitment

A significant time commitment is required of directors. This reflects Libro’s commitment to a strong and unique governance structure.

The Board meets six times per year including a meeting held in conjunction with the Board Planning Session. Board meetings normally are scheduled to last four hours and committee meetings are scheduled to last two to three hours. Committees meet four to five times per year to meet their requirements and work plan activities. One strategic planning weekend is held in June. Directors also act as Liaison to regional councils of Owner Representatives. Directors typically serve on two Committees and as Liaison to one or more regional councils.

Directors attend the Annual General Meeting held in April and the Fall Forum held in October. Training and development opportunities held in conjunction with these events can create a full day program for participants.

Meeting Preparation

Directors are expected to prepare for, attend and actively participate in meetings to which they are invited.

Meeting materials are provided a week before the meeting, and directors need to devote sufficient time to review materials in advance to ensure productive discussions and informed decisions.

Credit Union and Community Events

Directors are offered the opportunity to attend a variety of community, credit union industry and co-operative events including provincial and national conferences.

Remuneration and Expenses

Directors receive compensation for their service to Libro. The director remuneration policy is reviewed every two years and any changes to the policy are approved by the Owner Representatives voting at an Annual or Special General Meeting. Libro's director remuneration policy includes:

- an annual stipend for board service as a board member, chair and vice chair;
- an annual stipend for service as committee chair;
- a per diem for each board, committee, panel and Council meeting attended;
- a per diem for training and education sessions;
- travel costs, where applicable, to cover mileage and travel time to attend Libro meetings;
- reasonable travel and other out-of-pocket expenses relating to board service.

Nomination and Election Process

Nomination Forms

After considering the responsibilities, role and time commitment of a Libro director, you decide to proceed with submitting a nomination form, please include the following in your submission:

1. Completed Nomination Form including required supporting signatures of which three (3) must be currently serving Owner Representatives.
2. Professional quality head and shoulders photo with the following qualities:
 - a. JPG file format
 - b. 300 dpi (dot per inch) resolution
 - c. Portrait layout
 - d. Full, natural colour with no effects

The Board Elections Chair will review candidate information to ensure the material is considered appropriate and, if necessary may require candidates to edit the information.

The Board of Directors has appointed the Assistant Corporate Secretary as Board Elections Chair. Completed nomination forms and supporting documents must be submitted between January 1 and February 29, 2020. Send forms to: Janet Taylor, Assistant Corporate Secretary & Board Elections Chair

- Mail to 217 York Street, 4th floor, London, ON N6A 5P9
- Email to janet.taylor@libro.ca
- Fax to 519-672-7831

Candidate Information Sessions

Candidates are required to participate in an information session with the Director Recruitment Committee. When necessary, the Director Recruitment Committee will hold an information session within five (5) business days of the closing of the Advance Nomination Period.

Campaign Guidelines

Libro campaign guidelines have been developed to ensure that candidates have a fair and equal opportunity for exposure to the Owner Representatives to communicate their desire to become a director.

Information provided by the candidate is used to create candidate profiles for publication in the AGM Workbook which is shared with invited guests and publicly on Libro's website. Libro provides additional opportunities for candidates to share their message with Owner Representatives including:

- A candidate video (maximum 90 seconds) in a format determined by Libro;
- Contact with individual Owner Representatives using own time, resources and contact data;
- Use of personal social media accounts;
- Meet and Greet session at the Annual General Meeting venue;
- Speech at the Annual General Meeting, if vote by ballot (maximum 3 minutes).

No other campaign literature or materials may be produced by the candidate.

Elections

Director elections are conducted during the Annual General Meeting. Owner Representatives holding office on the date of the AGM may vote in person in director elections.

The Board Elections Chair will conduct elections as follows:

1. Present a resolution to confirm election by acclamation where the number of nominations received is equal to the number of vacant positions to be filled.

2. Open the floor to nominations where the number of nominations received is less than the number of vacant positions to be filled.
 - a. Conduct a vote to confirm election of directors by acclamation where the number of candidates nominated in advance and from the floor equals the number of vacant positions to be filled.
3. Conduct a vote by ballot where the number of nominations received exceeds the number of vacant positions to be filled.
 - a. Candidates are given up to three (3) minutes to speak to the Owner Representatives.
 - b. Owner Representatives, present at the meeting, mark ballots for a number of candidates equal to the number of vacancies (as per the Act).
 - c. The Scrutinizing Committee reports the election results to the meeting:
 - i. Naming those elected and not elected in order of votes received;
 - ii. The number of valid, spoiled and total ballots submitted.
 - d. The number of votes received by each candidate is not announced unless requested by one of the candidates or by a motion carried by a majority of Owner Representatives at the meeting.
 - e. Candidates have the option to request a recount by the Scrutinizing Committee prior to the motion to destroy ballots, if the margin of defeat is 10% or less.
 - f. A resolution is presented to confirm the elections, destroy the ballots and discharge the Scrutinizing Committee.

Appendix A: Director Remuneration & Expenses

Remuneration

ANNUAL STIPEND	
Director	\$13,000
Board Chair	\$30,000
Board Vice Chair	\$18,000
Committee Chair	\$3,000 in addition to Stipends above
Task Force/Panel/Ad Hoc Committee Chair	\$1,200 in addition to Stipends above

PER DIEM	
Board Meeting	\$400
Board Standing Committee Meeting	\$400
Full Day Training or Education Sessions and Courses (if part of an approved development plan)	\$500
Half Day Training or Education Sessions and Courses (if part of an approved development plan)	\$250
Regional Council meetings as Liaison Director	\$100
Task Force/Panel/Ad Hoc Committee Meetings	\$100
Board Strategic Planning Session	\$400
Libro Owner Representative Accreditation Workshop	\$100

Stipends are prorated and paid monthly, and per diem fees are paid quarterly (January, April, July, October).

Expenses

Directors are reimbursed for out of pocket expenses incurred during their duties. Directors are entitled to a travel fee when travel is carried out in connection with his/her Libro duties. Directors are expected to exercise discretion and good judgement in determining reasonable expenses. Mileage, for use of personal vehicle while on Libro business, is reimbursed at the Canada Revenue Agency prescribed rate per kilometer.

Additional Benefits

- Group life insurance coverage
- Directors' liability insurance coverage

Appendix B: Director Development

Expectations

Libro Directors are required to:

- i. Understand, meet and maintain appropriate competency requirements
- ii. Perform an annual assessment of required competencies
- iii. Maintain personal development plans and undertake required training
- iv. At minimum, achieve competency levels defined by DICO and Libro within established timeframes

Director Training

Training Program	Expectation/Requirement	Description
Required Training		
Libro Owner Representative Accreditation Program	-Complete within 2 years of election as a Director	-Specific training courses to develop skills for service to Libro
Libro Director Orientation	-Ideally completed within 1 month of election	-Overview of role, duties and requirements of a Libro director
Credit Union Specific Training (ex: Cusource, Level Five)	-Complete within 2 years of election as a Director	-Professional development sessions
Continuing Director Education and education sessions prior to Board meetings	-One full day of training per year	-Presentations, workshops, conferences and Webinars
Voluntary Training		
Institute of Corporate Directors (ICD)	-Take part in sessions and courses when available	-Libro maintains membership with ICD for external opportunities
Institute of Corporate Directors Education Program or De Groot School of Business Director Program	-Build into individual Director Plan	-Libro places a significant value in this program
Accredited Canadian Credit Union Director Designation and Annual Requirements	-Optional designation for graduates of the CUDA program -2 years of service as a Credit Union Director	-Examination through CCUA-Cusource