

Board Meeting Minutes

Date	Nov. 30, 2022	Session type	Closed
Chair	Dr. Brian Postl	Recording secretary	Ashley Haugh
Attendees	<p>Board: Bob Adkins; Kelly Butt; Bobby Kwon; David Lehberg; Anne McFarlane; David Morhart; Lorraine Muskwa; Dr. Jeff Scott; Judy Steele, Glenda Yeates; Victor Young; Donnie Wing</p> <p>Executive Management Team: Dr. Graham Sher (Chief Executive Officer); Judie Leach Bennett (Vice-President, General Counsel and Chief Risk Officer); Jennifer Camelon (Chief Financial Officer and Vice-President, Corporate Services); Dr. Christian Choquet (Vice-President, Quality and Regulatory Affairs); Dr. Isra Levy (Vice President, Medical Affairs and Innovation); Andrew Pateman (Vice-President, People, Culture and Performance); Rick Prinzen (Chief Supply Chain Officer and Vice-President, Donor Relations); Dr. Yasmin Razack (Chief Diversity Officer); Richard Smith; (Chief Information Officer); Ron Vezina (Vice-President, Public Affairs);</p>		
Guests	Christine Franz, Andrew Little, Dr. Tanya Petraszko, Lise Simpson		

Regrets

1. Call to order and land acknowledgement (B. Postl)

B. Postl, Chair, called the meeting to order.

It was acknowledged that the land the meeting was held on is the traditional territory of the St. Lawrence Iroquoians, Anishinabewaki, Mohawk, and Algonquin peoples.

2. Approval of agenda (B. Postl)

After review, **ON MOTION** duly made and seconded, the agenda for the meeting was approved.

3. Declaration of conflict of interest (B. Postl)

There were no conflicts of interest declared.

4. Chair's opening remarks (B. Postl)

The chair provided the following update:

- The following directors have been (re)appointed committee chairs:
 - Bobby Kwon, Talent Management
 - Anne McFarlane, Safety, Research and Ethics
 - David Morhart, Governance
 - Judy Steele, Finance and Audit
- Two new board directors, Marilyn Barrett and Gertie Mai Muise, were appointed at the Annual General Meeting with their appointment taking effect on Dec. 12, 2022. A third new director is expected to be appointed in the near future.
- Lorraine Muskwa, Dr. Jeffrey Scott, and Vic Young will be retiring from the board and were thanked for their service to Canadian Blood Services.

5. Consent agenda (B. Postl)

After review, **ON MOTION** duly made and seconded, the consent agenda was approved.

5.1 Approval of the minutes

IT WAS RESOLVED THAT the board approves the minutes of the Sept. 20, 2022 closed meeting.

5.2 Operations and strategy performance report

The board received the quarterly operations and strategy performance reports. For operations, the report provides a summary of performance in fresh blood products; plasma protein and related products (PPRP); stem cells; and organ and tissue donation and transplantation. For strategy, the report provides a summary of performance across the five key focus areas of the strategic plan.

In addition to the written report, discussion included:

- The return to in-person recruitment is expected to increase stem cell registrants.

5.3 Enterprise risk management

The board received the quarterly corporate risk report. The quarterly report provides a summary of the status of the key risks to the organization's strategic and business objectives.

In addition to the written report, discussion included:

- Due to a supply chain issue with a supplier, an issue that impacted many operators worldwide, cord blood unit collection for banking purposes was suspended in summer 2022. During this time, units were only collected for research purposes (included in the informed consent). Measures have been put in place to mitigate a similar risk in the future.
- **ACTION:** Provide the board with an update the PPRP formulary program.

5.4 Financial summary

The board received an overview of the organization's financial position and results.

5.5 Quarterly cybersecurity update – Q2 2022-2023

The board received an update on the vigilance, resilience, and governance of cybersecurity at Canadian Blood Services.

5.6 National Facilities Redevelopment Program (NFRP) report

The board received an update on the status of NFRP Phase IIa.

5.7 Management response status report: collaborative performance review and Office of the Auditor General of Ontario (OAGO) audit

The board received an update on progress in addressing the recommendations in the 2019 Performance Review and December 2020 OAGO Value-for-Money Audit recommendations. An update will also be posted to the website.

6. Strategic plan refresh (A. Pateman, L. Simpson)

The board received an update regarding the process for the strategic plan refresh and the strategic change agenda, including an overview of:

- Drivers of the strategy refresh, including the dynamic and competitive environment; delivering value to health systems; attracting and retaining donor or registrants; personalized medicine; plasma sufficiency; scale and location of network of facilities and infrastructure; digitalization strategy; multi-product organization; and the fiscal and economic context
- Process and timelines

Discussion included:

- The capital/network plan is an important strategic element for how and where the organization will deliver its multi-product set of services in the future (e.g., it is related to donor experience, employee experience, etc.).
- With Canadian Blood Services' scope and scale, the organization can provide economies of scale for the purchasing of products and services which benefit the health system.
- The current environment / healthcare environment is taken into consideration as part of the strategic plan refresh process – e.g., changes in nature of workforce, societal change, technology changes, etc.
- Research will be examined as part of the strategic plan refresh.
- Canadian Blood Services will continue to deliver on current strategic issues while looking towards the future.

7. Genomics: Improving transfusion patient outcomes (I. Levy, C. Franz, T. Petraszko)

The board received an update on the current and anticipated work in genomics testing of patients and donors, and the advantages and potential of this technology including an overview of:

- Context and background
- Advancing genomics capabilities
- Genotyping
- Required capabilities – technology; talent; privacy; regulatory; partnerships

Discussion included:

- There is significant investment required for relevant technology / equipment, but ongoing costs (e.g., required donor and patient testing) are more manageable.
- For hard-to-match patients, genomics provides the potential of improved patient outcomes and improved quality of life.
- Licensed genotyping methods are not yet available for donor testing. Canadian Blood Services is part of an international consortium which will hopefully inform licensing.
- In parallel with research and development, there will be work required on the legal and ethical fronts related to genomics.

8. Committee reports

8.1 Finance and Audit (J. Steele)

J. Steele, Chair of the Finance and Audit committee, provided an update on committee activities, including that the committee:

- Reviewed the financial results for the six months ended Sept. 30, 2022 and the 2022-2023 forecast.
- Received an update on PPRP inventory target review.
- Reviewed the internal audit report.
- Reviewed Internal Controls over Financial Management.
- Reviewed the quarterly Defined Benefit (DB) Pension Plan meeting highlights from the Sept. 28, 2022 DB Plan Board of Trustees meeting.

- Approved engaging KPMG to provide advisory services for the captives accounting standards project.
- Reviewed the committee risk report.

8.2 Safety, Research, and Ethics (A. McFarlane)

A. McFarlane, Chair of the Safety, Research, and Ethics committee, provided an update on committee activities, including that the committee:

- Received a report on the readiness of Canadian Blood Services to move to non-DEHP blood component bags.
- Received an overview of the activities of the Canadian Blood Services Cord Blood Bank.
- Received a presentation on recent media reports of “artificial blood”.
- Received quarterly reports regarding supply chain and donor relations; safety initiatives; quality and compliance; innovation and portfolio management; and Link: strengthening our quality management system and culture.
- Reviewed the committee risk report.

8.3 Talent Management (J. Scott)

J. Scott, Chair of the Talent Management committee, provided an update on committee activities, including that the committee:

- Received an update on talent succession planning.
- Received a COVID-19 update related to the organization’s response to employee health, wellness, and resilience.
- Received quarterly reports on occupational health and safety, and labour relations.
- Reviewed the committee risk report.
- Met with the CEO for his quarterly performance update.



8.4 Governance (K. Butt)

K. Butt, Chair of the Governance committee, provided an update on committee activities, including that the committee:

- Approved for recommendation to the board, a detailed honoraria proposal based on a retainer approach, which was informed by third party advice and reviewed and endorsed by Canadian Blood Services' Internal Auditor.

*After review and discussion, **ON MOTION**, duly made, seconded and carried, **IT WAS RESOLVED THAT** the board approves the annual honoraria retainer for directors and the Board Honoraria and Expense policy, both with an implementation date of April 1, 2023.*

- Reviewed IT governance at Canadian Blood Services.

*After review and discussion, **ON MOTION**, duly made, seconded and carried, **IT WAS RESOLVED THAT** the board approves a hybrid approach to IT governance with quarterly IT reports to the board, and programmatic IT oversight provided by the Governance Committee. This approach will be reviewed at the Governance Committee following one year of implementation.*

- Received an update on development of the organization's inaugural corporate social responsibility (CSR) strategy including board oversight of the development of the strategy.

*After review and discussion, **ON MOTION**, duly made, seconded and carried, **IT WAS RESOLVED THAT** the board approves that the Governance Committee provide oversight to the development of the corporate social responsibility strategy. As CSR is a part of the organization's corporate strategy, the board will receive regular updates on the strategy development and implementation from both corporate reporting and from governance committee updates.*

- Received an update on the Corporate Risk Profile (CRP) refresh and the inputs and approach used to develop CRP 8.0.
- Received an update on board retreat planning.
- Received regular reports regarding safe reporting activity; board education activities; board budget; and director recruitment.
- Received the Public Affairs report.
- Reviewed the committee risk report.

8.5 Consumer representatives (B. Adkins, D. Lehberg)

D. Adkins and D. Lehberg, consumer representatives, provided an update on issues of importance to stakeholders, in particular to organizations representing patients that use products or services provided by Canadian Blood Services:

- The second series of Patient Engagement Forum meetings are being held in November and December 2022 related to plasma, stem cells, blood, and a joint session.
- Feedback on the new Patient Engagement Forum meetings continues to be positive.

8.6 Canadian Blood Services Insurance Company Ltd (CBSI) and Canadian Blood Services Captive Insurance Company Ltd (CBSE) (G. Yeates)

G. Yeates, Chair of CBSI/CBSE, provided an update on recent activities:

CBSI

- Received regular business reports, including financial statements and investment reports. Key CBSI performance metrics were reviewed and there were no areas of concern noted.
- Approved updates to the Captive Conflict of Interest policy, Captive Program Governance manual, Captive Program Records Management policy, CBSI Board Terms of Reference, and the Premium Net Asset policy.
- Received an update on the performance of the investment portfolio and performance of the investment managers.
- Received an update on the insurance contract (IFRS 17) and financial instrument (IFRS 9) accounting standard implementations.
- Received an update on claims.
- Received the second of three planned education sessions to explore the topic of multi-claimant exposure and management of such claims within the captive insurance program. Relevant info will be shared with the Canadian Blood Services board.
- Determined that it was timely and prudent to conduct a review of design, structure, etc. of the captive insurance program. Further details will be discussed at the next CBSI meeting.



CBSE

- Received regular business reports, including financial statements and investment reports.
- Approved the Captive Conflict of Interest policy, Captive Program Governance manual, and the Captive Program Records Management policy.

The board received the quarterly CBSI report which describes the performance and activities in investment matters, financial position, regulatory compliance, underwriting, claims, and governance.

***ON MOTION** duly made and seconded, it was agreed to adjourn the meeting.*

The meeting adjourned at 3:09 p.m. ET on Nov. 30, 2022.

* * *