

COMPANY XYZ

BOARD MATERIALS POLICY

Purpose

The purpose of this policy is to establish standards for materials produced for or during XYZ's Board of Directors (hereinafter "Board") and Committee meetings (hereinafter "meetings"). This policy addresses personal notes taken during meetings, the retention of supporting documents circulated at, in relation to, or in advance of meetings (hereinafter "Board materials") and the printing of Board materials. This policy is based on the understanding that:

- management provides detailed written materials to members of the Board (hereinafter "Directors");
- XYZ's Corporate Secretary takes notes of the discussions, outcomes and resolutions for all meetings; and
- all Directors have the opportunity to correct any errors or omissions of the minutes of the meetings (as applicable) prior to their approval.

This policy forms part of XYZ's **Policy on Managing and Protecting Information Resources**. If a conflict should arise between this policy and the **Policy on Managing and Protecting Information Resources**, the provisions of this policy will prevail to the extent of the conflict.

A. Personal Notes

Background

This policy applies to both hard copy notes and to notes that are stored electronically.

Directors often write notes in preparation for and during meetings. The reasons for doing so vary, but may include:

- taking notes may serve as a listening tool – some directors may follow a discussion most effectively when they capture the main points as they are made;
- to note something a Director would like to say or ask in the meeting;
- to note discussions or decisions a Director wishes to ensure are reflected in the minutes of the meetings; or
- to record personal observations about what is transpiring at the meeting.

Similarly, directors often keep their notes after meetings for variety of reasons such as:

- to use as an aid when reviewing the minutes of the meeting;
- thinking the notes may be useful in some other way in the future; or
- a matter of habit.

Management and Directors are responsible for ensuring that board materials they receive and any notes they take are maintained in a manner that preserves confidentiality of those materials and notes, in accordance with Directors' responsibilities under the **Policy on Managing and Protecting Information Resources**. For example, materials and notes must not be reviewed or left unattended in a public place, and must not be stored in a manner which might permit the materials and notes to be accessed by anyone else, including without limitation any individuals residing or working with the Director.

There are a number of additional issues that arise in connection with any notes made by Directors:

- Directors' notes are discoverable in litigation and therefore would no longer be private;
- the notes of one Director may contradict the notes of another Director or undermine the minutes of meetings, which may create questions about what actually occurred in the meeting; and
- notes are not subject to a careful process of drafting, review and approval and may contain statements that may be misinterpreted, taken out of context or incorrect.

Further, as a matter of law, the Board can speak only by resolution, so that once the Board approves by resolution the minutes of a meeting, it should not be necessary for a Director to keep notes of what transpired at the meeting. Meeting minutes and supporting materials will be sufficiently detailed to ensure that the reader understands the nature and substance of discussions. Any objections or abstentions to approval of resolutions will be noted and attributed to the individual making the objection or abstentions. Meeting minutes will disclose any conflicts declared by individuals relating to any discussion and how those conflicts were managed. If a Director is concerned about a particular matter, the Director should raise those concerns and ensure they are reflected in the minutes, rather than retain annotations and notes.

Destruction of Notes

Directors and management should adopt a consistent process of destroying personal notes on a regular basis, and document their approach to destruction of their notes. For example, it could be entered in a personal calendar that notes are to be destroyed every January. Being able to point to a consistently applied destruction process eliminates time and effort needed to produce personal notes for litigation, and also protects Directors and management from legal risk arising from claims that records were intentionally or negligently withheld or destroyed where they were relevant to a legal proceeding.

It is the responsibility of Directors and management to securely destroy any personal notes, or to provide them to XYZ's Corporate Secretary for destruction. When disposing of personal notes, electronic copies of those notes must be purged completely from any device, cloud, backup system or other storage facility.

Any electronic annotations made on documents within Diligent will not be accessible once the book associated with the meeting for which the notes were made is archived. The Corporate Secretary will destroy his/her notes after approval of the minutes.

B. Maintaining Meeting Material on the Private Board Portal

Electronic recordkeeping within the private Board portal (hereinafter “Diligent”) is the preferred medium for all Board materials. Notwithstanding this, the Corporate Secretary may maintain a hard copy of all final approved minutes, and historical Board materials may be stored in either electronic or paper format outside of Diligent. Board materials which cannot be stored electronically will be maintained in a secure area under the custody and/or control of the Corporate Secretary.

The Corporate Secretary archives meeting materials once the meeting minutes are approved. A copy will continue to be accessible to Directors and management. Meeting materials will be kept indefinitely, in accordance with XYZ’s records retention schedules supporting XYZ’s **Policy on Managing and Protecting Information Resources**.

Duplicates of materials placed on Diligent may be disposed of at any time, in a secure manner.

C. Printing Board Materials

The printing of documents from Diligent is generally discouraged for reasons that include:

- confidentiality and enhanced security since only those with access can review the material on the portal;
- it undermines the economics of XYZ’s decision to acquire Diligent; and
- printing can cause confusion as to what version is being used for decision-making: materials posted to Diligent are routinely amended as the meeting date approaches and it is important to ensure that Directors are using the correct version.

However, there may be circumstances where the inability to print certain documents may compromise the ability of some Directors to review board materials effectively, such as where Directors are reviewing complex documents or where an accommodation for a disability is required. In such situations, a Director may make a request to the CEO or the Corporate Secretary for a printed copy of a particular document. By allowing the printing of documents on an exception basis, the Corporate Secretary will be able to follow-up with the Director before the meeting to ensure that the document is up to date, and after the meeting to ensure the document’s destruction. For clarity, the CEO and Corporate Secretary may, at their discretion, obtain printed materials from Diligent at any time.

Also, any materials that are handed out in a meeting should be returned to the Corporate Secretary at the end of the meeting for destruction. The Corporate Secretary is to ensure that all such materials are posted to Diligent.

D. Litigation Hold Policy

Any destruction of a document under this policy may be suspended in accordance with XYZ's Litigation Hold Policy. Directors will be required to provide to XYZ any personal notes in their possession should there be any existing, potential or anticipated litigation to which the annotations and notes may be relevant.

E. Policy Review

The terms, impact and appropriateness of this Policy will be reviewed every three (3) years by the Governance Committee.

F. Policy Effective Date

This Board Materials Policy comes into effect on June 8, 2018.

G. Policy Approval

Approved by the Board of Directors on June 8, 2018.

Corporate Secretary

Appendix A: Policy Revision History

Revision Date	Effective Date	Approver
TBD	TBD	TBD