

ATLANTIC LOTTERY F2023-24 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 Independent Directors for the fiscal year (FY) ending March 31, 2024. It also includes the Board of Directors' Remuneration Policy.

** An independent Director is not a public servant, employee or elected official in the shareholder province that appointed the Director.*

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.

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.

Director's Remuneration:

Independent Chair of the Board

- \$15,000 annual retainer

Independent Directors & Chair of the Board¹

- \$1,500 for chairing, preparing, and attending a Board or Committee meeting of regular duration (approximately three to four hours);
- \$1,000 for preparing and attending a Board or Committee meeting of regular duration (approximately three to four hours);
- \$500 when the duration of time spent is two hours or more, whether for attending a meeting or taking part in a Board development/training exercise approved by the Board Chair;
- \$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; and,
- \$250 when the duration of time spent is less than two hours, whether for preparing for a meeting, attending a meeting, or taking part in a Board development/training exercise approved by the Board Chair.

¹ The amounts reflect the base rates determined in 2017. As per the Board's decision on November 27, 2018, the Directors' fees are adjusted yearly according to CPI and subject to Board approval to be effective every April 1.

Director's Fee:

The Board Chair and Directors' fees are cumulatively adjusted yearly based on the national CPI. The fees represent the remuneration independent Directors will receive for each day while conducting AL business. Directors are considered to be conducting AL business when:

- attending a Board or Committee meeting in person, by virtual means, or by phone.
- participating on an AL conference call.
- preparing in advance for a Board of Directors or Board Committee meeting and,
- attending other meetings, business functions or events in an official capacity as a representative of AL, whereby the primary purpose of the event and role of the Director is for business purposes.

Independent Directors will receive remuneration when attending a Committee meeting in which they do not serve on, when part of their six-month orientation program, or when invited to attend by the respective Chair to establish quorum (as a voting member) or to fulfill a gap that is particularly needed for that meeting.

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 AL business will be subject to the terms of the AL Travel and Expense Policy and Standard.

REMUNERATION GOVERNANCE

As part of its mandate, the Governance & Stakeholder Relations 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. During F2023-24, the Governance & Stakeholder Relations Committee engaged Korn Ferry to conduct an extensive review of the compensation for Independent Directors on ALC Board. The review resulted in changes to the respective Remuneration Policy to be effective on April 1, 2024.

F2023-24 TOTAL OF REMUNERATION AND EXPENSES OF ALC'S BOARD CHAIR AND DIRECTORS

Includes remuneration and expenses for Board and Committee meetings, Annual General meetings, Interprovincial Lottery Corporation meetings, conferences, training & development, and other AL business meetings.

NAME	ROLE	PROVINCE	REMUNERATION	EXPENSES & OTHERS*	TOTAL
Sean O'Connor	Board Chair	N/A	\$ 79,102.38	\$ 11,661.38	\$ 90,763.76
Doug Trask	Non-Independent Director	NL		\$ 22,250.26	\$ 22,250.26
Janis Byrne	Independent Director	NL	\$ 29,837.00	\$ 22,308.34	\$ 52,145.34
Paul Dicks	Independent Director	NL	\$ 13,944.00	\$ 11,453.41	\$ 25,397.41
Travis Bergin	Non-Independent Director	NB		\$ 1,152.54	\$ 1,152.54
Jane Mitton-MacLean	Independent Director	NB	\$ 26,789.00	\$ 5,270.55	\$ 32,059.55
Lisa Merrithew	Independent Director	NB	\$ 20,080.00	\$ 2,324.83	\$ 22,404.83
Brad Conrad	Non-Independent Director	NS		\$ 1,206.11	\$ 1,206.11
Kelliann Dean	Non-Independent Director	NS		\$ -	\$ -
Chris Lydon	Independent Director	NS	\$ 17,858.00	\$ 10,266.22	\$ 28,124.22
Ian Cavanagh	Independent Director	NS	\$ 32,829.00	\$ 1,939.99	\$ 34,768.99
Denise Lewis Fleming	Non-Independent Director	PE		\$ 13,981.54	\$ 13,981.54
Dan Campbell	Non-Independent Director	PE		\$ 903.65	\$ 903.65
Gordon MacFarlane	Independent Director	PE	\$ 20,094.00	\$ 8,686.01	\$ 28,780.01
Shaun MacIsaac	Independent Director	PE	\$ 22,594.00	\$ 2,613.26	\$ 25,207.26

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