

Board Meeting Minutes

Date	June 15-16, 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 (June 16 only); Dr. Jeff Scott; Judy Steele, Glenda Yeates; Victor Young; Donnie Wing</p> <p>Executive Management Team: Dr. Graham Sher (Chief Executive Officer); Jean-Paul Bédard (Vice-President, Plasma Operations); 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); Ralph Michaelis (Chief Information Officer); 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	Adrian Craciun, Jody Faught, Andrew Little, Sarah Lynch, Alana Robertson, Lise Simpson, Tony Steed, Liz Stucker		
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 original lands of the Algonquin Anishnaabeg People.

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)

Donnie Wing declared a conflict of interest for the CBSE report. There were no other conflicts of interest declared.

4. Consent agenda (B. Postl)

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

4.1 Approval of the minutes

IT WAS RESOLVED THAT the board approves the minutes of the March 3-4, 2022 closed meeting.

4.2 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, the board discussed:

- Recruitment for the stem cell registry significantly decreased during the pandemic because it had a large reliance on in-person swab events. Over the course of the next three years, the registry is expected to return to pre-pandemic recruitment levels (25,000 new registrants per year) and then increase to 40,000 new registrants per year. This should also increase the probability of a Canadian patient receiving a stem cell transplant from a Canadian donor.

- In addition to the percentage figures, the actual number of deceased and living donor transplant rates will be included in future reports.

4.3 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, the board discussed:

- Panels with employees sharing their personal experiences with mental illness and the stigma of mental illness have been very well received by the organization and will continued to be offered in Q1.
- Donor recruitment / size of the donor base is an issue that is routinely discussed at the Safety, Research and Ethics committee and has been identified as a potential topic by the governance committee for the 2023 board retreat.

4.4 Quarterly cybersecurity report

The board received the quarterly cybersecurity report, highlighting the key initiatives and outcomes to advance and mature the posture of cybersecurity at Canadian Blood Services.

4.5 Financial summary

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

4.6 2022-2023 budget update

The board received a reconciliation of the 2022–2025 Corporate Plan and the 2022–2023 budget as approved by the members (health ministers).

4.7 National Facilities Redevelopment Program (NFRP) report

The board received an update on the status of the National Facilities Redevelopment Program.

In addition to the written report, the board discussed:

- A further update will be brought to the board regarding facilities in Edmonton and Calgary as well B.C.

4.8 COVID-19

The board received a status report regarding the organization's response to COVID-19, which provided an overview of how the sixth wave has impacted collections performance and an update on measures that have been taken to maintain control.

5. Network transformation (JP. Bédard, R. Prinzen, J. Faught, T. Steed, L. Stucker)

The board received an update on the current state of integrated network strategy planning and the complexity involved in achieving end state network transformation, including an overview of:

- Network modernization
- Evolution of the network strategy and current state
- Plasma expansion
- Whole Blood collections optimization and transformation.
- Infrastructure renewal and modernization.
- Challenges and next steps

Discussion included:

- Network transformation will be a multi-year journey – at least five years; however, there will always be ongoing modifications to adapt to changing demands and need.
- There is a lot of digital cross-promotion of different Canadian Blood Services product lines – blood, plasma, stem cells, organs and tissues – and this will also become more prominent in donor centres.
- Work continues to increase the diversity of the donor base (for all products) through outreach and advertising to diverse communities and ensuring donation centres / events are in areas that represent diverse communities.

- Management continues to seek additional funding opportunities in addition to what is received from the provinces and territories (PT) - e.g., philanthropic donations, donations in kind, grants, etc.
- Donor experience, new donor acquisition and donor retention are important elements of network transformation. Providing a positive experience for donors, from the look and feel of the facility to their interactions with employees, assists with donor retention which can in turn reduce the need for increased advertising spending to acquire new donors.
- The size of Canada does mean that Canadian Blood Services has to transport products between locations. In terms of the organization's carbon footprint and as vehicles require replacing, options such as electrical vehicles / trucks are explored when feasible.
- Uncontrolled commercial plasma expansion could lead to the erosion of Canadian Blood Services' donor base as well as brand confusion. This is being closely monitored.
- Network transformation is foundational to many key focus areas in the strategic plan and will lead to improvements in donor experience, employee experience, diversity, equity and inclusion, etc.

6. Alliance of Blood Operators 2020-2021 benchmarking highlights (G. Sher, A. Craciun, A. Little, S. Lynch, A. Robertson, L. Simpson)

The board received an overview of Canadian Blood Services' participation in the Alliance of Blood Operators (ABO), as well as key highlights from the ABO's 2020-2021 benchmarking and cost model reports, including an overview of:

- ABO background and collaboration forums
- 2020-21 ABO benchmarking report – impact of COVID; red blood cells; donor deferral; source plasma programs; plasma for fractionation; manufacturing productivity; testing productivity; collections productivity
- 2020-21 ABO cost model report highlights – red blood cells; platelets
- Priorities for 2022-2023

Discussion included:

- The Calgary operations facility has the highest manufacturing productivity of all Canadian Blood Services' sites. Calgary has been on a continuous improvement journey, like other facilities, and benefits from its new purpose-built facility and from a more stable collected product volume variability than other facilities.

- With the introduction of pathogen inactivation technology, the cost of platelets will increase for Canadian Blood Services, but it provides a superior product to patients.
- Canadian Blood Services' journey with Toyota, and their sharing the philosophies of the Toyota Production System, enhanced the organization's manufacturing productivity improvements. That knowledge is now being shared across the organization to make continuous improvement in other areas of productivity.
- The \$100M efficiency and savings target helped create a continuous improvement mindset across the organization.

7. Committee reports

7.1 Finance and Audit (J. Steele)

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

- Received the 2021-2022 external audit, with a clean audit opinion.
- Reviewed the Financial Statements for the year-ended March 31, 2022 and recommends approval at the open board meeting.
- Reviewed the internal audit report.
- Reviewed the Defined Contribution and Executive Pension Summary reports for year-ended Dec. 31, 2021 as well as the quarterly Defined Benefits Pension Plan meeting highlights.
- Approved amendments to the Defined Contribution Pension Advisory Committee (PAC) terms of reference.
- Received an update on work performed to date and planned future activities with respect to the Internal Controls Over Financial Management (ICFM) initiative
- Reviewed the committee risk report.

7.1.1 Appointment of DC Pension Advisory Committee Member

After review and discussion, **ON MOTION**, duly made, seconded and carried, **IT WAS RESOLVED THAT** the board approve the appointment of Katarina Gustafsson as a member of the Defined Contribution Pension Advisory Committee.

7.2 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 an update on monkeypox. This virus is not known to be transmitted via blood or organ/tissue transplantation. Management is monitoring this situation nationally and internationally.
- Reviewed the annual Surveillance Report. There are no significant changes in the types and levels of pathogens that pose a potential threat to the blood system.
- Received an update on the ongoing COVID-19 seroprevalence study which the organization has been undertaking in support of the Federal COVID-19 Immunity Taskforce.
- Received a presentation on malaria and the lookback / traceback work that was completed following the identification of a case of malaria confirmed as having been transmitted via transfusion.
- 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.
- Received the Research Ethics Board annual report.
- Reviewed the committee risk report.

7.3 Talent Management (J. Scott)

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

- Received a detailed review of the results of the recent Employee Experience Survey. The results across most survey measures, were, in aggregate stable and, in some cases, an improvement on the 2018 survey results.
- Received an update on the organization's Future of Work program.

- 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.
- Conducted regular review of policies delegated to TMC.
- Met with the CEO for his quarterly performance update.

7.4 Governance (K. Butt)

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

- Reviewed the board compensation structure. Management will revise it based on committee feedback and consult with Internal Audit prior to bringing it back to the committee in September.
- The committee reviewed feedback from directors on the board retreat as well as suggestions for 2023 retreat themes.
- Received an update regarding the activities of the joint PT/Canadian Blood Services director selection advisory committee (DSAC).
- Received an update on progress in the enterprise risk management (ERM) and business continuity management (BCM) programs and upcoming plans for 2022-2023.
- Approved amendments to POL029 Enterprise Risk Management Policy and the Finance and Audit Committee terms of Reference.
- Reviewed the 2021-2022 board budget results and the 2022-2023 board budget.
- Received the Public Affairs report.
- Reviewed the committee risk report.

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

B. Adkins and D. Lehberg, consumer representatives, provided an update on recent stakeholder activities:

- Patient Engagement Forum has been launched and is being well received by stakeholders. Some of the discussion topics included:
 - Patient groups participating in Canadian Blood Services research
 - Patient support for Canadian Blood Services' efforts to increase plasma collection efforts and for goal of 50% self-sufficiency
 - Calls for greater health system supports for patients and families in stem cells
 - Sexual behaviour-based screening changes
 - Malaria screening

7.6 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.
- Received an update on the performance of the investment portfolio and performance of the investment managers.
- Reviewed and approved policies.
- Received an update on the captive review project.
- Discussed the Canadian Blood Services/CBSI business continuity exercise and follow-up that will take place.
- Received an environmental, social and governance (ESG) education session.
- The Canadian Blood Services board received the CBSI annual report summarizing the performance of CBSI as well as the 2021-2022 audited financial statements.

CBSE

- Received regular business reports, including financial statements and investment reports, audit report, and annual premium analysis.
- Reviewed and approved policies.



- The Canadian Blood Services board received the CBSE annual report summarizing the performance of CBSE as well as the 2021-2022 audited financial statements.

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

The meeting adjourned at 10:30 a.m. ET on June 16, 2022.

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