

## P01 – Board Governance

### Policy

The Automobile Insurance Rate Board (AIRB) will establish procedures for board meetings, transparency, governance oversight and the appointment, remuneration and expense reimbursement of Board members.

### Authority

The AIRB's authority is provided under the Insurance Act (Act) and the Automobile Insurance Premiums Regulation (Premiums Regulation). In addition, the AIRB is required to exercise and perform any other powers and duties assigned to it by the President of Treasury Board and Minister of Finance (Minister).

The AIRB in conjunction with the Minister has developed a Mandate and Roles document outlining the responsibilities of the AIRB, its vision, mission, and values.

The AIRB establishes policies and procedures for the purpose of carrying out its functions under the Act and the Premiums Regulation.

### Procedures

#### Board Meetings

The AIRB:

- Holds regular meetings at least four times per year to review and approve insurer filings, hear from interested parties, and manage the operations of the AIRB,
- Holds ad hoc meetings to review and approve insurer filings as required in between regularly scheduled meetings,
- Holds meetings either in person or by video conference. Meeting material is distributed to Board Members five business days in advance of the scheduled meeting to permit time for preparation,
- Invites industry partners to meet with the AIRB to highlight trends, issues they are experiencing or initiatives to keep the AIRB informed. Interested parties are requested to contact the AIRB's office to arrange a date and time for their presentation,
- May conduct electronic meetings to enable decisions or action if required between regularly scheduled meetings.

#### Transparency

The AIRB maintains transparency and accountability by:

- conducting an annual review of automobile insurance trends and premiums relating to basic and additional coverage for private passenger vehicles (see P05 – Review of Automobile Insurance Trends and Premiums); and
- Publishing key documents including, but not limited to:
  - A three-year rolling business plan on an annual basis,
  - An annual report on its operations,
  - Filing guidelines and technical guidance for the review and approval of changes to insurer rating programs, and
  - Insurer filing decisions on the AIRB website.

## **Governance Oversight**

The AIRB recognizes the importance of a strong governance framework to guide its operations. Governance documents are developed and maintained as needed, including, but not limited to:

- Policies and procedures,
- Charter of expectations signed off by all Board Members,
- Code of Conduct and Ethics signed off by all Board Members and staff, and
- Profile and competency matrix, updated with any change to board composition.

## **Appointment of Board Members**

- The AIRB follows the Government of Alberta's process for recruitment of board members for agencies, boards, and commissions.
- When a vacancy occurs, the AIRB identifies the competencies to be filled and provides that profile to the recruitment team responsible for leading the process.
- The AIRB identifies the competencies required by considering:
  - Charter of Expectations for Board Members,
  - Board Profile and Competency Matrix, and
  - Code of Conduct and Ethics.
- The AIRB selects either an external consultant or the Government of Alberta's Public Service Commission to support the recruitment process. A public posting of all vacancies (which includes the required competencies) is the responsibility of the recruitment team.
- Applications are reviewed by the recruitment team and candidates are assessed based on the applicable competencies identified by the AIRB.
- Conflict of interest and other screening is completed before a list of suitable candidates is prepared for submission to the Minister.
- The Minister recommends to the Lieutenant Governor in Council a replacement to the AIRB, and the Department coordinates the appointment process by:
  - Order-in-Council for all Public Members, and
  - Ministerial Order for the Consumer Representative
- The results of the recruitment process are posted publicly on the AIRB website.
- The Lieutenant Governor in Council may appoint one of the members of the AIRB, other than the Superintendent, as chair and another as vice-chair.
- The term of office Board Members cannot exceed three years; however, a member may be reappointed for up to two additional terms. A member continues to hold office after expiry of his or her term until the member is reappointed, the member's successor is appointed, or 12 months has elapsed, whichever occurs first. Each Board Member can serve a maximum of 10 years on the AIRB.

## **Board Remuneration and Expense Reimbursement**

- The Lieutenant Governor in Council has set remuneration and provided for the payment of expenses to the members. See P03 - Board Remuneration & Expense Reimbursement.

All documents referenced are available on the AIRB website.

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