



Policy Title: BOARD MONITORING SYSTEM		Policy Section: IV Governance Process	Policy Number: IV-50.10
Approved By: Board of Directors	Date Approved: Jan 23, 1996	Date Reviewed/ Revised: May 4, 2006 May 29, 2009 May 7, 2012 Jan 24, 2014 May 15, 2017 May 12, 2020 Sept 14, 2023	Board Chair's Signature: <i>Chae Yoon (Aileen) McCreary</i>

PURPOSE

The purpose of the “Board Monitoring System Policy” (GP IV-50.10) is to define the Board’s principles, system, and process for monitoring executive performance (Registrar & CEO) related to achievement of the Board’s Ends (Critical Outcomes) Policies and compliance with the Board’s Executive Limitation Policies.

Board monitoring of the Registrar & CEO is synonymous to and the primary process for the evaluation of Registrar & CEO performance. This monitoring/evaluation of executive performance (Registrar & CEO) is also synonymous to the evaluation of CMLTO organizational. The primary criteria for this monitoring/evaluation is the achievement of the Ends (Critical Outcomes) and the Executive Limitations Policies, set by the Board, and the subsequent Registrar & CEO’s interpretation of these policies.

POLICY

1. The purpose of monitoring is specifically to determine the degree to which Board policies are being fulfilled. Board policies represent the voice of the Board and its direction to the Registrar & CEO. Only reports/information designed to directly address the degree to which Board policies are being achieved will be considered to be “monitoring information”.

The Board is committed to a thorough review of Monitoring Reports and to providing useful, evaluative feedback to, and in dialogue with, the Registrar & CEO. Monitoring will be as automatic as possible such that the majority of the Board’s time can be focused on designing the future.

2. A given policy may be monitored in one or more of three ways, including:



- a. Executive Internal Report: Disclosure of achievement and compliance information/evidence to the Board from the Registrar & CEO in the form of a recognized Monitoring Report.
 - b. External Report: Using achievement and compliance information by an impartial, qualified external reviewer, or consultant who is selected by and reports directly to the Board. Such reports must assess executive performance only against policies of the Board not those of the external party unless the Board has previously indicated the external party's opinion/policies to be the standard of the Board for performance evaluation of the Registrar & CEO.
 - c. Direct Board Inspection: Development of compliance and/or achievement information by a Board member, a Board Committee, or the Board as a whole. This can be made up of a Board review of documents, activities, or circumstances directed by the full Board which allows a "prudent person" test of policy achievement/compliance. This method of monitoring should be used sparingly and only where the Board holds appropriate expertise.
3. Upon the choice of the Board, any policy can be monitored by any method at any time. For regular monitoring, however, each Ends (Critical Outcomes) and Executive Limitations policy will be classified by the Board according to frequency and method of monitoring (see Appendix 1).
 4. The Board Members will review, in advance of the Board meeting, the Monitoring Reports submitted by the Registrar & CEO.

The criteria the Board will use to evaluate Monitoring Reports from the Registrar & CEO are outlined in each of the policies that will be monitored [Ends (Critical Outcomes) and Executive Limitations]. At the Board meeting, there will be minimal presentation of the reports by the Registrar & CEO as Board Members are expected to have read the reports. There will be a period of open discussion and questions by the Board with the Registrar & CEO. The Board will arrive at an evaluation of the reasonableness of the Monitoring Report and the actual results achieved, by the Registrar & CEO and will record the Board's conclusion by motion.

5. In the open session of the meeting, the Board will review and discuss the Monitoring Reports in the open Board meeting session; exploring the Board's understanding of the evidence on results achieved and the meaning of such results provided in these reports. The open session minutes will record any clarifications or additional insights arrived at through the Board exploration of the Monitoring Reports. Any related action that the Board requires of the Registrar & CEO and itself will also be recorded.



Later in the meeting, the Board will move to a Board “in-camera session” to make final conclusions and record a motion regarding the performance evaluation aspect and final feedback to the Registrar & CEO (as this is a confidential human resources matter). The in-camera minutes will record the Board’s final conclusions in a relevant motion.

The Board will then rise and report back to the general meeting session when the meeting is reopened.

6. Each year by November/December, the Board will conduct a formal Annual Performance Evaluation Summary for the Registrar & CEO. This evaluation will consider all of the monitoring data as defined here and as reviewed and discussed throughout the year along with the Board’s general feedback on performance trends.

Appendix 1 – Board Monitoring System Schedule of Registrar & CEO Re: GP IV-50.10



**APPENDIX 1
BOARD MONITORING SYSTEM SCHEDULE
OF REGISTRAR & CEO POLICY ACHIEVEMENT
RE: GP POLICY IV-50.10**

FEBRUARY 13, 2026

Policy #	Policy	Date Approved/ Date Last Revised	Policy Type	Method	Frequency	Monitoring Month
I-01	Ends (Critical Outcomes) Policies for 2024 to 2026/2027	Feb 1, 2006 Sep 15, 2015 Nov 28, 2019 Sep 15, 2023 Sep 24, 2024 Dec 9, 2024 Sep 23, 2025 Dec 8, 2025	Ends	Internal Review	Annual HLP 1 HLP 2 HLP 3	Nov/Dec Nov/Dec Sept
II-01	General Executive Constraint Policy	Sep 24, 2001 Sep 25, 2017 Sep 12, 2022 May 29, 2023 Dec 9, 2024	EL	Internal Review	Every 2 years (odd year)	Nov/Dec
II-09	Investment Policy	Nov 30, 2009 Nov 28, 2016 Dec 3, 2018 Dec 1, 2020 Dec 2, 2022 Dec 11, 2023 Dec 9, 2024 Dec 9, 2025	EL	Internal Review	Annual	Nov/Dec
II-10	Financial Health		EL	Internal Review	Quarterly Annual	Feb May Sept Nov/Dec Nov/Dec
II-10	Financial Planning and Budget Cycle Policy	Jan 23, 1996 Nov 28, 2016 Nov 28, 2019 Dec 2, 2022 May 29, 2023 May 28, 2024 May 27, 2025 Rescinded: Feb 13, 2026	EL	Internal Review	Annual	May
II-11	Financial Condition Policy	Jan 23, 1996 Feb 7, 2017	EL	Internal Review	Quarterly	Feb May



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		Feb 28, 2019 Mar 22, 2021 Feb 11, 2022 May 29, 2023 Sep 15, 2023 Dec 11, 2023 Feb 16, 2024 May 28, 2024 Sept 24, 2024 Dec 9, 2024 Feb 21, 2025 May 27, 2025 Sept 23, 2025 Dec 8, 2025 Feb 13, 2026 Rescinded: Feb 13, 2026		External Review	Annual	Sept Nov/Dec May
II-12	Financial Audit & External Auditor Policy	Sept 14, 2023 Sept 23, 2025	EL	Internal Review External Review	Annual Annual	Sept
II-15	Asset Protection Policy	May 5, 2006 Sept 15, 2009 Nov 30, 2009 Nov 29, 2012 May 12, 2015 June 11, 2018 Sept 13, 2021 Sept 23, 2024 May 27, 2025	EL	Internal Review	Every 2 years (odd year)	May
II-16	Vendor Relations Policy	May 3, 2007 Nov 30, 2009 May 14, 2010 May 2, 2013 May 15, 2017 Sept 13, 2021 Sept 23, 2024	EL	Internal Review	Every 2 years (even year)	May
II-17	Summary of Financial Numerical Limitations Policy	Feb 6, 2007 Feb 7, 2017 Nov 28, 2018 Mar 22, 2021	EL	Internal Review	N/A	N/A



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		Feb 16, 2024				
II-20	Signing Authority/ Authorization of Expenditures Policy	Sep 15, 2009 Jun 11, 2018 Feb 11, 2022 Feb 7, 2023 Dec 11, 2023 Dec 9, 2024 Dec 8, 2025	EL	Internal Review	Annual	Nov/Dec
II-25	Human Resources Parameters Policy	May 12, 2014 May 15, 2017 May 12, 2020 Sept 15, 2023 Sept 24, 2024 Sept 23, 2025	EL	Internal Review	Annual	Sept
II-35	Staff Conduct and Transparency Policy	Nov 30, 2009 Jun 11, 2018 Jun 3, 2021 Sept 24, 2024	EL	Internal Review	Every 2 years (even year)	Sept
II-40	Registrant Relations Policy	Feb 6, 2007 May 16, 2016 Feb 28, 2019 Feb 11, 2022 May 29, 2023 May 27, 2025	EL	Internal Review External Review	Every 2 years (odd year) Every 3-5 years	May
II-45	Communication and Support to the Board Policy	Jan 23, 1996 Sept 22, 2016 Sept 17, 2020 Dec 11, 2023 Dec 9, 2024 Dec 8, 2025	EL	Internal Review	Annual	Nov/Dec
II-50	Corporate Identity /Communications and Public Image Policy	May 3, 2007 May 15, 2017 May 12, 2022 Sept 15, 2023 Sept 24, 2024 Feb 13, 2026	EL	Internal Review	Every 2 years (even year)	Feb
II-60	Use of Artificial Intelligence		EL	Internal Review	Annual	Nov/Dec



Policy #	Policy	Date Approved/ Date Last Revised	Policy Type	Method	Frequency	Monitoring Month
II-70	Intellectual Property Policy	Sept 16, 2008 Sept 15, 2015 Nov 28, 2019 May 29, 2023 Feb 16, 2024 May 27, 2025	EL	Internal Review	Every 2 years (odd year)	May
II-80	Executive Succession Plan Policy	Jan 23, 1996 Sept 15, 2015 Nov 28, 2019 Sept 12, 2022 Sept 15, 2023 Sept 24, 2024 Sept 23, 2025	EL	Internal Review	Annual	Sept