



111 Horton Street
P.O. Box 2700
London, ON N6A 4H6

Powering London.
Empowering You.

April 11, 2023

ATTN: Mr. Michael Schulthess, City Clerk
City Clerk's Office
Room 308, City Hall
300 Dufferin Avenue, PO Box 5035
London, ON N6A 4L9

Re: Request to update London Hydro, Inc. Board Director recruitment, interview and nomination process

Dear Mr. Schulthess:

It is with great pleasure I write to you today, as we work together to modernize the above-noted process at London Hydro Inc.

Please consider the Proposed Process (attached), constructed with input from your office through Councillor Corrine Rahman, and informed by existing processes at LMCH and others. It has been recommended by London Hydro's Corporate Governance and Risk Management Committee and approved for communication to you by our Board of Directors. As suggested by His Worship, Mayor Morgan, it aligns tightly with processes already in place at other City-associated organizations, ensures Council oversight via our Class IV Board member (City Council appointed director), and allows Council the right of Election as required in our Shareholder Agreement. Of note, the Shareholder Agreement does not proscribe any process for recruitment, interview or nomination, only that City Council retains the right of election. Therefore, in that the process already is in practice within the City of London ecosystem and no process is presently proscribed, we don't anticipate any impediments to adoption, should City Council desire to do so.

Therefore, as advised by Councillor Rahman, our request for your assistance is thus:

London Hydro Inc. formally requests that, through the next meeting of SPPC, the Civic Administration bring forward to a meeting of the Shareholder the request to ADOPT the Proposed (recruitment, interview and nomination) Process (as attached).

Mr. Schulthess, in addition to the above, we have included in this package a copy of our letter to Mayor Morgan notifying him of the upcoming vacancies on our Board, and the skills we require of new directors in order to properly fulfill our oversight responsibilities. As the proposed changes to the above-noted processes do not change the mode of application for consideration via the City of London website, we don't anticipate any need to delay recruitment efforts. According to the timeline that you and Councillor Rahman provided to me, candidate short-listing and interviews can be aligned with the New Process after (provided that) the SPPC/Council votes to modify the interview process.

Many thanks to both you and Councillor Rahman for providing your input and helping to move this initiative forward. If we can provide any additional information or be of assistance in any way, please don't hesitate to reach out via Councillor Rahman.

Best Regards,

A handwritten signature in black ink, appearing to read 'Connie Graham', written in a cursive style.

Connie Graham
Chair, Board of Directors
London Hydro Inc.

Attachments:

Proposed (recruitment, interview and nomination) Process from the London Hydro Board of Directors
Copy of Mayoral letter announcing Board of Director vacancies



Re: Proposed (Recruitment, Nomination and Election) Process

Date: April 11, 2023

New Proposed Process

1. Upon a vacancy among the Board of Directors arising (whether or not due to expiry of a Director's term or another reason), with the advice of the Corporate Governance & Risk Management (CG&RM) Committee Chair, the Board Chair shall prepare a letter to the Mayor advising them of the Board vacancy(ies) to be in effect at the Annual General Meeting of the Shareholder or at some other defined date.
2. In anticipation of Board vacancies, London Hydro Inc. AND the City of London Clerk's office shall advertise or otherwise canvass for applicants to apply with their Cover Letter of interest and CV electronically to the City of London Clerk's office. Candidate advertisements shall include the applicant skills, knowledge and experience required by the London Hydro Board of Directors as well as a cut-off date for receipt at the office of the City Clerk.
3. The City Clerk's office will log in all responses and forward them to the attention of the London Hydro Corporate Governance and Risk Management Committee via the office of the London Hydro Inc. CEO.
4. London Hydro's CG&RM Committee will receive, review and shortlist all applications submitted by the cut-off date.
5. London Hydro's CG&RM Committee shall interview the shortlisted candidates. Fulfillment of board skill gaps, general qualifications criteria set out in Article 4.3 of the Shareholder Declaration and any other noted requirements shall be considered in a consistent, fair and equitable process, with a standard set of questions presented to each interviewed candidate.
6. The CG&RM Committee Chair may invite all Board members to attend the interviews. However, it is mandatory that the Class 4 Board member (City of London Shareholder Representative Director) be present at all candidate interviews.
7. For each vacancy, the CG&RM Committee may recommend to the Board one, or maximum two, applicants.
8. For each director vacancy, the Board may approve one of the CG&RM Committee's recommendations or propose an alternate candidate (provided the candidate's application had been received and logged by the City Clerk prior to the stated cut-off date). If an

alternate candidate is proposed by the Board that had not previously been interviewed by the CG&RM Committee, the interview process as detailed in step 5 must be repeated for (only) the newly-proposed candidate and the results of the interview reported to the Board of Directors.

9. The final Board-selected candidate shall be submitted to the Shareholder as part of the Shareholder Resolution at the AGM OR at a special meeting of the Shareholder and in compliance with applicable notice and timing requirements. In this regard, the Board shall prepare the Shareholder Resolution setting out London Hydro's recommended candidate for election.

10. At each AGM, the Shareholder Resolution shall list the full slate of London Hydro's Board of Directors (incumbents and new Directors) for affirmation, reelection, or noted vacancies; wherein the vacancies are to be filled by a separate Resolution, as stated above, with an understanding that incumbent Board members shall continue to hold office until a successor is elected.

Revisions required to London Hydro Board Governance documents

1. The Shareholder Agreement does not include reference to specific recruitment, nomination or interview processes, therefore a formal Shareholder Agreement amendment is not deemed necessary



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His Worship Josh Morgan
Mayor, The Corporation of the City of London
Office of the Mayor
300 Dufferin Avenue
London, Ontario N6A 4L9

Re: Upcoming London Hydro Board of Director Vacancies

Dear Mayor Morgan:

As Chair of the Board of Directors of London Hydro Inc., I am writing to notify you of two pending vacancies on our Board, effective upon election of replacement directors by the Strategic Priorities and Policy Committee of The Corporation of the City of London (the "Shareholder"). Both Jack Smit and Gabe Valente, after a significant period of distinguished service, have decided to retire.

In addition to qualifications and requirements for directors set out in the OBCA and the by-laws of the Corporation, Article 4.3 of the Shareholders Agreement outlines general skills and qualifications desirable for election to our Board of Directors. With the departure of the two directors noted above, audit/finance expertise, executive business management, strategy and board governance/directorship experience are needed to re-build a well-rounded Board. Experience in power/energy or other regulated industry environment would be a definite asset.

As we jointly work to modernize London Hydro's process for director candidate evaluation, nomination and election, we believe it necessary to attract a broad constituency of seasoned candidates with the above noted qualities.

Best Regards,

Connie Graham
Chair, Board of Directors
London Hydro Inc.

CC: Mr. Michael Schulthess, City Clerk – The Corporation of the City of London